

Retention Strategies for Today's Labor Market

From Forbes, Society for Human Resource Management, Leadership Freak, and more

Issues Facing Recruiting & Retention in 2019

- 1. Company culture depends on corporate communication.** Poor communication can ruin employee morale and create a toxic work culture that can leach into customer interaction. Companies where this occurs will lose customers and eventually fail.
- 2. Time management is imperative.** HR staff may want to work on bigger initiatives that will have a lasting impact, such as finding ways to hire more high-performers and improve company morale by, for example, offering competitive salaries, workplace benefits, free food, staff outings and more.
- 3. Leadership support is crucial.** HR needs a champion in the C-suite to get the buy-in to achieve talent acquisition and retention goals. Such initiatives can help reduce the number of dissatisfied employees, which lowers turnover and saves the company money.
- 4. Avoid hiring the wrong people.** When you realize you've hired the wrong person, remove him or her before too much damage is done.

Recruiting & Retention Statistics

- Recruiting
 - 83% of talent say a negative interview experience can change their mind about a role or company they once liked, while 87% of talent say a positive interview experience can change their mind about a role or company they once doubted.
 - 85% of job seekers claim that consistent communication throughout the recruitment process is the top driver of candidate satisfaction.
 - Companies in the top quartile for racial and ethnic diversity are 35% more likely to have financial returns that are above the national medians for their industry.
- Retention
 - 61% of new hires do not get any training on company culture.
 - 66% of millennials expect to leave their organization by 2020.
 - 75% of employees would stay longer at an organization that listens to and addresses their concerns.
 - 87% of employees expect their employer to support them in balancing their life between work and personal commitments.
 - 92% of employees believe showing empathy is an important way to advance employee retention.

As unemployment plummets to its lowest rate in over 40 years, many businesses are feeling the strain of locating the right individuals to fill job vacancies. They're having to devote more time and resources to find employees in an increasingly candidate-driven market.

To prevent employees from departing for seemingly greener pastures, employers must hone their company culture – they need to create a unique, rewarding, and engaging work environment that cannot be found anywhere else.

Here are some focus points to improve your employee retention rates and keep top talent on board.

1. Hire the right people

First and foremost, make sure you get the right people on the bus. When interviewing candidates, take note of whether they're passionate about what you do. Alongside possessing the relevant skills, candidates should also demonstrate valuable soft skills. Look out for those who will bring new skills to the table but are also able to get along with the employees you already have. Take candidates around the office and introduce them – it's important to see how they would fit in with the company culture you've created.

2. Give them development opportunities & pay them well

One way to make people enjoy working for you is to encourage them to grow. When talented staff aren't being given the right development opportunities, it's inevitable that they'll look elsewhere to grow their skillset. It's the duty of employers to encourage their staff to take opportunities to grow as individuals wherever they can. You can also prevent stagnation by encouraging employees to engage in a variety of tasks. Allow them to “wear multiple hats,” collaborate with other departments, and pursue additional learning opportunities and training.

In regards to compensation, your company could be the best player in its league, with top of the range offices and a ton of workplace perks. Without a competitive salary though, staff won't be persuaded to stick around. Many employees nowadays are aware that they can get a pay rise simply by changing companies.

3. Promote benefits and make sure your employees understand them

Work benefits have the potential to renew a sense of company culture among employees. To make sure you're on the right track, you can take a survey to analyze how employees feel about the workplace perks that you're offering. Even the smallest “work perks” can make big impacts on company culture and employee retention. This could be as simple as offering free snacks in the breakroom, implementing a casual dress code, hosting a monthly happy hour, or offsetting parking costs.

A benefit which is repeatedly named as one of the most desirable is flexible working. Implementing flexitime is an innovative way to stay ahead in the market. Boost employee happiness and reduce stress by helping them strike the right balance between work and home life. Allow employees to work from home when needed and prevent burnout by offering paid time off (PTO). This also ensures that your workforce can be scaled up or down to meet the varying needs of the organization, dependent upon the talent it's able to retain.

Go further by introducing a total compensation statement. With the “War on Talent” causing most companies to re-evaluate their practices around employee retention, this is a good time to take a look at the total compensation statement, also known as the total compensation summary. The total compensation summary is a great way to demonstrate and acknowledge an employee's value to the employer and shows measurable impact on employee retention and performance. Some tips for your total compensation statement:

- Keep it simple. You want a total compensation statement that feels inspired and can easily be shared with others, including family members or a significant other.
- Include All Employer Benefits. Capture every benefit and perk you can think of. Is there a program for providing employer or vendor discounts, perhaps for day care or for purchasing a

mobile device? In recent years, many employers have been adding additional benefits and perks to meet a growing desire for greater flexibility and work-life balance. Has anything been added since last year? Can you monetize the value of employee training, coaching, and development? Don't forget to include employer-paid taxes.

- Reinforce total value. The graphics and the numerical presentations should agree on a single annual compensation grand total. People tend to think of their annual compensation in terms of annual salary because the value of other benefits is less tangible, making the total compensation number clear.
- Optimize the delivery. Consider the importance of presentation. Color printing on thicker paper stock, and even mailing through the postal service, will likely increase the perceived value. It also increases the likelihood that the statement will be shared, discussed, and celebrated at home, where employees gain most of their personal support outside of work.
- Be consistent.

4. Engage with employees and incorporate corporate wellness initiatives

Employee engagement is the level of an employee's emotional connection, involvement, and commitment to their organization. When employees feel valued—their dedication and enthusiasm for their jobs, coworkers, and companies grow. This, in turn, increases employee retention, performance, and productivity.

80% of HR employees surveyed found that using HR technologies improved employee attitude toward the company. Meanwhile, 57% of HR employees strongly agree that employee engagement initiatives will help their company retain productive staff. When employees are engaged, everyone wins.

Corporate wellness initiatives and will continue to grow in 2019. Healthier employees are generally happier and more likely to stick with your organization. Well-being is an essential building block for a positive, engaging, and inclusive company culture.

Only 35% of U.S. employees reported feeling satisfied with their finances in 2017. Corporate wellness programs are expanding beyond focusing solely on employees' physical health. Technology can help companies improve their corporate wellness programs to include financial and mental health well-being solutions.

5. Other ideas to incorporate

- **Adopt an Open-Door Policy.** Creating an atmosphere of honesty in the workplace is essential to preventing grudges and complaints from escalating. If you can make one employee happy in the workplace, it will have a widespread positive effect on staff morale.
- **Demonstrate Core Values.** Weave them into everything you do – from day-to-day work to support for a local charity. Establish a reason for employees to work for you, other than to drive revenue.
- **Recognize Good Work.** The lack of recognition is the top reason employees quit their jobs. Make your staff feel appreciated through formal and informal recognition. Simply send an email shoutout when someone goes above and beyond their call of duty.
- **Ask for Feedback.** What better way to engage your employees and make your culture thrive than to solicit their input? Conduct a monthly survey, hold regular 1:1 meetings between managers and

their team members, and host annual “stay interviews” where current employees share their reasons for remaining with your company.

- **Make Work Fun.** If employees spend 40 hours a week at work, why not make it fun? Host a quarterly team breakfast, arrange an annual staff retreat, and celebrate birthdays, work anniversaries, and holidays.

Understanding Millennials in the Workforce

At home or in the workplace, millennials have built the reputation of being hard to please and impossible to understand. They’ve been labeled as lazy and entitled. The truth is, we have it all wrong. While any stereotype is based in some truth, in this case, studies show overwhelmingly that these are misnomers. Millennials make up 35% of the workforce, and will account for 70% by 2025. That means that you are one, you’re hiring one, you’re working with one, or you’re managing one.

Leaders must understand two things about millennials before they can build strong relationships with them. The first is regarding the two types of millennials. The older millennials were born in the 1980s and were hit directly by the Great Recession, either by losing their jobs or not being able to find one. They learned to distrust companies. The younger millennials were still in grade school when the Great Recession hit, but they witnessed their parents lose their jobs, sometimes after decades of working for the same company. The second understanding should be regarding the millennial workers’ stage of life. Many are just moving out on their own, dating, married, having children—or struggling to do so. They can’t wait until they are financially secure and seek to find purpose and enjoyment now.

Past leadership wisdom says that there should be a division between work and personal life. That line is now blurred. We can discover a lot about someone from social media profiles. Start with the in-person version of social media... you know...talking with a person about things that are important to them.

A New Outlook: Treat Your Employees like Volunteers

I enjoy the power of telling. However, I don’t like being told. Do you? If leading was telling, we’d have more leaders. In dire situations, a leader must give orders based on their position—with no pushback or discussion. In today’s workplace, it is often not very effective. People resent being told what to do.

There are benefits to a leader treating their employees like volunteers. You should treat them like they can say no or walk away at any time. It encourages feedback and improves morale.

If employees were volunteers leaders would:

- **Stay People Focused:** Build relationships. Ask permission to hold people accountable. Focus more on people with passion and less on people with talent.
- **Share the Big Picture:** Give your people a sense of purpose. Put the importance of their seemingly unimportant task in perspective. Focus on aligning organizational and individual values. Help people get where they want to go by understanding their goals and leveraging their strengths.
- **Communicate:** Give clear direction. Create alignment. Encourage respectful pushback. Be accessible. Address tough conversations kindly.
- **Play to Their Strengths:** Know your people. Know what they do well. Know what they don’t do well. Honor them by capitalizing on their strengths and not fighting them over their weaknesses.

- **Show Respect:** People want to be respected. Smile and acknowledge the people you pass in the hall—whether you know them or not. Develop relationships before you need favors. Seek agreement on expectations and deliverables.
- **Gratitude:** Express gratitude sincerely. Always remember to say please when asking someone to do something and thank you when someone does something for you. Seek out opportunities to catch people doing something right. People want to be appreciated. Go out of your way to show them.

How to Retain your Employee When They Have another Job Offer

An employee has a better offer on the table, but you want to keep them around. Here are some tips on how to deal with that situation:

- 1. It might not be the money.** Ask your employee why they were looking for another job in the first place. Their answers might surprise you.
- 2. But it might be the money.** Another company has made an offer that shows they value your skills more than your current employer. Why wouldn't you take that offer seriously? There are situations where a solid counteroffer is just what's needed to keep your talented employee.
- 3. The value of perks.** The good news is that employees strongly value perks. Better health insurance, more vacation days, and performance bonuses. These items come at less of a cost to your bottom line while still showing the employee that you value their contributions.
- 4. Be flexible but reasonable.** Let your employee know that they've provided valuable contributions to your team. Let them know you'd be happy to have them back in the future. They might gain experience elsewhere and, 5 or 10 years down the line, return to your company.

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