

# Your Employees: Love Em' or They'll Leave You

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The cost of replacing an employee is staggering. Most HR professionals estimate that replacing lost talent costs between 70 and 200 percent of an employee's annual salary. These costs include recruiting for the position, paying overtime to get the work completed, interviewing, training and the time it takes to get the person up to the performance level required. Are good employees "worth saving"? Most definitely. The Gallup organization, through its Q12 engagement survey, has shown that employees who have an above-average attitude toward their work will generate 38 percent higher customer satisfaction scores, 22 percent higher productivity and 27 percent higher profits for their companies. It's clear that maintaining a vital, engaged workforce has a significant impact on your bottom line. So what can you do to reenergize employees who appear to be "on the way out"? Better yet, how can you keep employees from reaching that desperate place? In our Peter Barron Stark & Associates Employee Opinion Survey, over 70,000 employees have confirmed that the Best-of-the-Best companies (the top 25 percent of the companies surveyed) are at least 15 percent better at providing leadership, offering opportunities for employee development and personal growth, and identifying and quickly solving problems. Over 22 percent are better at clearly communicating the organization's strategic direction and goals. Based on the way companies in the Best-of-the-Best benchmark interact with their employees, we share the following 10 tips:

## 10 Tips To Increase Employee Retention

- 1. Communicate your company vision, strategic plan, goals and responsibilities to every team member.** Communication of this type should be shared with employees on an ongoing basis, not just at the annual "all-hands" meeting.
- 2. Respect your employees and demonstrate that you care about them as people.** It's common knowledge that people join a company for the pay, benefits and opportunity, but leave because of a poor relationship with a supervisor or manager.
- 3. Involve employees in decisions and future plans, especially those that affect them.** Employees don't so much resent organizational change as they resent being changed. Get employees involved early by asking for their input in areas where they have knowledge or will be particularly impacted by the change.
- 4. Recognize excellent performance and celebrate success—and not just with formal organizational incentives.** On a daily basis, look for things that are going well and provide meaningful feedback to those responsible for the success.
- 5. Measure soft skills with hard numbers.** Employee opinion surveys, customer satisfaction surveys and leadership 360s all provide great data you can use to help shape your "employee-centric" culture.
- 6. Provide growth opportunities through training and education.** Even when promotion opportunities are limited, employees still want the opportunity to gain new skills and grow professionally.

**7. Select the right people for the job.** We once heard that there are very few wrongful terminations but a great number of wrongful hires. Take the time to get it right so you can focus your efforts on your business—not on the business of getting rid of a bad hire.

**8. Coach and counsel poor performers.** If that does not work, move your poor performers out—and over to a competitor so they can undermine someone else’s strategic plan.

**9. Take actions that demonstrate you value a balanced work-life philosophy.** Most people today are challenged with juggling huge responsibilities, both professionally and personally.

**10. Offer a fair, competitive wage-and-benefits package and then link pay to performance.** You have to offer a good package to get great performers in the door, and then provide some incentives to keep them with your organization.