

Keeping Good Employees

It is extremely cost effective to retain employees within your place of business instead of having to find and retrain new people. There are certain steps that can be taken to ensure that employees are more likely to stay. However, keep in mind that there are circumstances outside of an employer's control that can also cause employees to leave.

What are some common factors that play into employee turnover? There are times when it is good to let employees go elsewhere. For example, if you have an employee that steals or is dishonest, it would be necessary to fire that person. When you fire people it factors into the turnover. If a worker is truly unhappy in your organization then it is better for the organization if they choose to leave. Additional people may be let go for reasons outside of the organization. Some workers are hired temporarily and when their project or assignment is done, then they are no longer needed. Good, qualified people also may be let go if the company can't afford to keep them at their expected salary.

Workers may choose to leave the organization at various times due to personal reasons. For example, maybe the family of the employee is relocating. Perhaps a woman is pregnant and needs to take maternity leave. A prolonged injury could prevent an employee from working. The worker's financial situation could change and they might no longer need to work and be ready to retire. Some factors of turnover can't be controlled and are not necessarily a bad reflection on a company.

It is important to then look within the organization and see where problems originate. Common reasons for leaving are better pay from competitors, dislike for company culture or coworkers, few or little chances for advancement, a need for change, and dislike for the job in general. There will always be turnover, however it is important that a company's turnover rate is kept at a minimum.

One exceptional way to reduce turnover is to make sure that when you hire people that they have reasonable expectations for the job. Let them know what challenges may come up, and what their duties are. Do not over glorify positions and leave people disappointed. Be as accurate as possible when describing your organization and the job description to applicants. You may have fewer applicants, but the remaining people will know what is in store for them and be better suited for the job. Also, look beyond credentials and see if the person is truly motivated and excited to work for you.

It is important to conduct exit interviews when people leave, and to be able to read between the lines. Some employees will not directly tell you what exact problems are, but pay attention to anything they hint at. Allow employees to make suggestions and criticisms openly. If problems are openly dealt with and employees can also make requests anonymously, it helps facilitate dealing with problems.

Reward and compensate employees fairly. Compensation should be in the form of monetary increments, appreciation, and advancement. It takes more than a dollar amount to keep employees satisfied, but it is good practice to make sure that the wage you pay is competitive and reasonable. Always provide challenges and fun for employees. Do you have company activities and events that foster friendships? Attract and keep employees by keeping a good business image in your community. Understand what it is that employees want and try to provide it if possible. Usually the more flexible and open to new ideas a company is, the better they are at retaining employees.

(2002). Managing Staff Turnover and Retention. *Business The Ultimate Resource*. Cambridge: Bloomsbury Publishing.

Sadler, Philip. (2002). Finding and Keeping Top Talent. *Business The Ultimate Resource*. Cambridge: Bloomsbury Publishing.