

Effective Employee Retention Strategies

By: Robert Half | January 2, 2019

It's every manager's nightmare: One of your best employees resigns out of the blue. Right away, you've got a number of challenges to tackle on top of your daily responsibilities. Not only do you have to find a replacement for such a talented team member — no small feat when skilled professionals are in high demand, as they are today — but you also have to consider the impact this departure will have on the rest of your staff.

Whenever someone walks out the door, people notice. Some will even start wondering if they should start looking for a new job, too. That's why employee retention and employee job satisfaction should be high on every organization's list of priorities, and why creating effective retention strategies to decrease turnover should be one of management's most important jobs. Read on for our tips on building strategies that are right for your company.

How to develop employee retention strategies

Succeeding in your employee retention efforts requires you to think about things from the team's point of view. All employees are different, of course, and each has unique desires and goals. But it's a safe bet to assume that all of them want to know they are being paid at or above market rates and have good benefits. They want to feel that they are appreciated by their employer and treated fairly. They want to be challenged and excited by the job they're asked to do.

An effective employee retention program addresses all of these concerns. But it also goes beyond the basics. In fact, your efforts should start on a new hire's first day on the job. The training and support you provide from Day One sets the tone for the employee's tenure at the company and boosts job satisfaction.

Ways to improve employee retention

Every area of the employer-employee relationship in your organization deserves your attention. Embrace these key strategies to improve your organization's employee retention and boost employee satisfaction:

- **Onboarding and orientation** — Every new hire should be set up for success from the very start, from the first day of work to the first week and beyond. The job orientation is just one component of onboarding, which can last for weeks or months, depending on your organization. Aim to develop an onboarding process where new staff members not only learn about the job but also the company culture and how they can contribute and thrive, with ongoing discussions, goals and opportunities to address questions and issues as they arrive.

- **Mentorship programs** — Pairing a new employee with a mentor is a great idea for onboarding. New team members can learn the ropes from a veteran with a wealth of resources, and the new hire offers a fresh viewpoint to experienced staff. Mentors shouldn't be work supervisors, but they can offer guidance and be a sounding board for newcomers, welcoming them into the company culture.
- **Employee compensation** — It's absolutely essential in this competitive labor market for companies to offer attractive compensation packages. That includes salaries, of course, but also bonuses, paid time off, health benefits, retirement plans and all the other perks that can distinguish one workplace from another. Every employee should have a full understanding of all the benefits they receive from your organization.
- **Recognition and rewards systems** — Every person wants to feel appreciated for what they do. Make it a habit to thank your direct reports when they go the extra mile, whether it's with a sincere email, a gift card or an extra day off. Show your employees you appreciate them, and share how their hard work helps the organization. Some companies set up rewards systems that incentivize great ideas and innovation, but you can institute recognition programs even on a small team with a small budget.
- **Work-life balance** — What message is your company culture sending? If staff are expected to regularly work long hours and be at your beck and call, you'll likely run into issues with employee retention. Burnout is real. A healthy work-life balance is essential, and people need to know that management understands its importance. Encourage staff to take vacation time, and if late nights are necessary to wrap up a project, see if you can offer late arrivals or an extra day off to compensate and increase job satisfaction. Many companies offer telecommuting or flexible schedules to improve work-life balance for their employees.
- **Training and development** — In any position and industry, professionals want the possibility for advancement. Smart managers invest in their workers' professional development and seek opportunities for them to grow. Ask each of your direct reports about their short- and long-term goals to determine how you can help achieve them. Some companies pay for employees to attend conferences or industry events each year, or provide tuition reimbursement or continuing education training.
- **Communication and feedback** — Keeping open lines of communication is essential for employee retention. Your direct reports should feel that they can come to you with ideas, questions and concerns, and likewise, they expect you to be honest and open with them about improvements they need to make in their own performance. Make sure you connect with each staff member on a regular basis — don't let issues build up for the annual review.

- **Dealing with change** — Every workplace has to deal with unpleasant changes occasionally, and the staff looks to leadership for reassurance. If your organization is going through a merger, layoffs or other big changes, keep your staff informed as much as you can to avoid feeding the rumor mill. Make big announcements face to face, and make sure you allow time for their questions.
- **Fostering teamwork** – When people work together, they can achieve more than they would have individually. Foster a culture of collaboration that accommodates individuals’ working styles and lets their talents shine. Do this by clarifying team objectives, business goals and roles, and encouraging everyone to contribute ideas and solutions.
- **Team celebration** — Celebrate major milestones for individuals and for the team. Whether the team just finished that huge quarterly project under budget or an employee brought home a new baby, seize the chance to celebrate together with a shared meal or group excursion.

A final tip: Remember to assess your employee retention strategies at least once a year. You’ll want to stay current on market salary rates and benefits, and best practices in developing workplace culture and manager-employee relations. Doing so will help you keep staff morale high and turnover low while guaranteeing your organization’s success.