

RETAINING AND SUPPORTING EMPLOYEES



The costs from turnover of employees cannot be ignored. Do you know what your annual turnover rate is? Are there times when you feel like you are developing staff just for some other employer to poach? Do you wish that staff would be more loyal or involved in your business? Maybe! Then read on.

ECONOMIC CONSIDERATIONS OF EMPLOYEE RETENTION

The world of work is changing with bigger labour pools and range of job options available globally and at home. Trends like the shortening of average length of time spent in a job; the use of talent agents to find and poach employees; and portability of skills between different job roles or industry sectors makes retention efforts critical for every employer.

The costs of bringing a new person into the workplace includes dollars spent on advertising and selection and lost productivity while positions are vacant or new recruits get up to speed. Turnover of employees is an expensive, avoidable drain on business resources.

BUSINESS BENEFITS FROM SUCCESSFUL RETENTION

Advantages from a stable and competent workforce cannot be underestimated and positive results might include:

- minimal disruption due to continuous availability of required personnel;
- strong knowledge management at operational and business levels;

- long term benefits from training investments in staff;
- a reduction in lost productivity due to fewer recruitment processes;
- greater participation in processes like innovation and change;
- an increase in customer satisfaction resulting from service stability;
- gaining employer of choice status with other potential recruits; and
- stronger commitment, participation and teamwork from employees.

STRATEGIES AND OPTIONS TO AID RETENTION

How well do you think you know your employees, and how do they feel about their workplace? Would you be surprised to know that employees do not generally leave because of their salary? Factors that may cause an employee to leave include:

- a mismatch between job expectations and the actual role;
- no work-life balance;
- being unable to see a career path for them; and
- they have not been shown what to do or given feedback.

With this in mind, there are many things that can be done to keep employees in your workplace. Retention efforts must commence on day one of the employee's job and continue until they exit.

Induction – A program that helps the new recruit perform well as soon as possible will confirm them having made a good employment decision.

Culture – A workplace founded in clear values, open communication, support, inclusiveness and participation will make employees feel like a part of a great team.

Performance management – An approach that sets and measures performance will validate success, address gaps and provide avenues for two-way feedback.

Training – Access to training opportunities which allow employees access to skills for their current job and to develop future skills signals they are valued and required.

Reward and recognition – Reward and recognition options such as competitive salaries, bonuses and initiatives will motivate success in employees and encourage loyalty.

Opportunity – Involving employees in planning, innovation and change initiatives and other important events will increase loyalty and buy-in to the workplace.

Work-life balance – Providing employees with access to flexible work options, wellness programs and social events will increase their ability to manage competing demands and can extend tenure in the workplace.

Exit management – Understanding why an employee is leaving provides an opportunity to intervene, keeping valued employees and increase retention.

OPTIONS TO SUPPORT AND RETAIN EMPLOYEES IN HARD TIMES

Changes in economic circumstances may pose barriers to retaining high value employees; however, employers can take a number of actions in these situations to assist employees. Any changes in working arrangements must be done in a manner consistent with the employer's obligations under all relevant state or national awards and applicable employment law, including the Equal Opportunity Act 1984. Some suggestions to support and retain employees in hard times include offering:

- reduced work hours;
- leave without pay options or study leave;
- a temporary reduction in salary or other benefits;
- a temporary redeployment to another company;
- acquittal of accrued leave; and
- job sharing arrangements.

Using these types of arrangements to retain employees will provide employers with a strong business advantage when business increases, and reduce the cost associated with recruitment of new staff. It is important that all such decisions are based on sound advice and involvement of all stakeholders including employees.



For more information, resources and practical tools to help you plan, attract, develop and retain a skilled workforce, visit:
workplace-essentials.dtwd.wa.gov.au



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