



TenStep Supplemental Paper

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Quick Tips to Retention

It is usually less expensive and more rewarding to retain top talent than to recruit new talent. This has prompted employers to become more proactive in adding value to their employees' lives. Today, organizations are providing their employees with vacations to exotic locales, refrigerators filled with goodies in the office, turbo charged cars and massages. Still, the turnover rate continues to increase.

What employers need to do to retain the crème-de-la-crème

- **Calculate the turnover cost of every position.** The turnover rate might be higher for jobs like call center representatives, sales executives and customer care executives. Employees with such profiles are willing to relocate for small hikes in salary. However, the cost of turnover might not be very high. After calculating the turnover cost, organizations need to understand the needs of the employee and address them. Caution should be taken to ensure that the cost of retention does not exceed the cost of turnover.
- **Identify the process or the job that leads to turnover.** Conduct employee surveys to see if employees are really satisfied with what they are doing or if they can do their jobs in a different way. The company should not be dependent on individuals. Instead, it should focus on automating functions so that the activities are process-driven. This eliminates monotony and makes it easier for employees to focus on improvements.
- **Re-assess the recruitment process.** Companies should proactively look for suitable candidates with a long-term perspective in mind. Such an approach gives them a chance to get the best on board instead of making a hurried and often incorrect recruitment.
- **Review performance management and compensation practices.** The performance management system should correlate with organizational values, goals, and objectives, and also with personal goals. Each of these parameters should be related to compensation.
- **Review training and development activities.** Training to enhance the competency and skills of the employee is always welcomed. However, these activities do not have to directly impact the job of the employee. If an employer is willing to invest in the development of the employee's skills and expertise, then there is a good chance he or she will stick around for the long run. Cross-functional training provides challenges to the employees and combats boredom.

Since employees are a major company asset, the company must invest in them. After all, it feels good to go home in the evening and not wonder if your employees are going to turn up for work next day.