



TenStep Supplemental Paper

23 January 2004

Retention Strategies

An effective retention strategy respects employees' concerns, from their entry into the organization all the way until their retirement. It also encompasses the organization's ability to provide the best of work climates.

Retention Strategies

- **Training programs.** Organizations should design training programs that match employee competencies with current trends.
- **Work-Life equilibrium.** This is essential because it caters to employees' personal needs and in turn helps retain them. It also creates trust between the employee and the employer.
- **Effective mentoring.** Another reason for turnover is lack of effective mentoring skills. Employees get de-motivated in the absence of proper mentors.
- **Challenges.** These help employees prove their worth and bring out their potential.
- **Autonomy.** Giving employees responsible tasks as well as giving them the freedom to work in their own style motivates them to stay.
- **Good relationships.** Healthy relationships among staff members encourage employees to stay for a longer time.
- **Attractive compensation package.** Compensation plays an important role in attracting, motivating and retaining employees.

Emerging trends in compensation

- Performance-related pay in addition to salaries
- Making key executives stakeholders, even in family companies
- Global reward systems to match global jobs

Loss of talented human capital, lower productivity and dismal performance levels are all due to high turnover. Retention strategies have to be emphasized. This is the responsibility of management, and every employee of the organization has to view it as a challenge that is being addressed. Those ignoring the challenge will fall prey to their competitors.