

Combating high turnover at a minimal cost

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Global Partner for People Effectiveness

High turnover remains one of the most challenging phenomena in every organization. Many companies fight to retain employees by raising salaries; however, this is not a cost-effective way to deal with turnover. Dealing with employee retention can be a low-risk, high-benefit investment.

Apart from the recession, currency dynamics, and higher wage arbitrage, one of the major issues in all forms of business is employee retention. A number of factors contribute to high turnover, such as organizational culture, job satisfaction, lack of motivation, work environment, salary, etc. A lack of harmony between personal requirements and organizational culture is quite prevalent.

Employees may be concerned about their compatibility with their supervisors, how they have been treated at work and the general environment in the organization.

If companies take proper steps and adopt methods to serve their employees' needs, the challenge of managing turnover will remain low. What can managers do to retain talents? Here are some tips to help manage turnover at a minimal cost:

Management Update

Top management should regularly communicate with all employees about the vision and mission of the company and any forthcoming organizational changes. Line managers or project managers should establish a connection between the lower levels and top management. This will enable employees to know what is expected.

Relationships with Employees

A key indicator of employee satisfaction and productivity is employees' belief that their boss cares about them and can be trusted. Managers should show care and concern to their

subordinates apart from focusing on results.

Recognition and Appreciation

Some people are driven more by non-financial incentives than money. Celebrate achievements both individually and as a team; write a note of thanks or recognition with honest and sincere appreciation.

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Career Development Opportunities

The provision of training opportunities for new skills and career development is an indication that a manager or company is willing to invest in its employees. Review the employee's culture-fit and job-fit regularly.

Stimulating and Fulfilling Teamwork

Subordinates should be included at the beginning of projects. Team members will be more enthusiastic and you will be surprised to see the creative results and different opinions that bubble up. Foster employee empowerment via building trust and giving constructive feedback

on areas for further improvement.

Be Flexible

Wherever possible, accommodate individual preferences on working hours and times. Allow flexible starting times, core business hours, and flexible ending times. Develop guidelines for home office. Avoid the development of a culture of "presenteeism", where people feel obliged to work longer hours. Evaluate individual commitment and performance results achieved, not hours put in.

Open Communication

Review job performance on a regular basis and guide employees to close the gap. You may need to monitor both the extrinsic and intrinsic sources of job satisfaction available to your subordinates. Calibration of expectations is crucial. Also, ensure that there are platforms for employees to voice their concerns.

Treat Employees Fairly

Never discriminate against employees. A major cause of voluntary resignation is a perception of unfairness. While the

overall level of pay is unlikely to play a major role unless it is way below the market rate, perceived unfairness in the distribution of rewards is very likely to lead to resignation.

Promote Job Transfers Within the Company

If employees want to use their talents more productively, allow them to change jobs across horizontally, to take up new roles in new departments of the company.

Promote a Balanced Life

Acknowledging and respecting the importance of family and the balanced life of employees prevents burnout and fosters loyalty. Remind employees the importance of work-life balance and lead by example.

In summary, combating turnover is everyone's responsibility. Take the lead: as a Gallup poll of more than one million employed US workers concluded, the number one reason people quit their jobs is because of a bad manager or immediate supervisor, and not due to their company or job. Hence, you can make a change in lowering turnover rate and make your company more healthy and productive.



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