

SOURCE STUDY TITLE AND AUTHOR

Managing for Employee Retention. Society for Human Resource Management (SHRM).

SUMMARY

The Research: Managing for Retention Reduces Turnover and Increased Productivity

DESCRIPTION

In a recent survey of HR professionals conducted by SHRM, 47% of participants cited retention/turnover as the top workforce management challenge. In today's competitive labor market, retaining top talent can be difficult and turnover is costly. Furthermore, unplanned vacancies can affect an organization's performance. However, organizations can manage specifically for employee retention, which means they take strategic actions in a concerted effort to keep employees satisfied and engaged. The pay-off of such a program is clear: it can play a vital role in both attracting and retaining talent while reducing turnover and its related costs. This contributes to overall productivity and business performance while improving employee morale and the quality of the workplace.

KEY FINDINGS

- Employees stay when they are satisfied with their job. Five factors that contribute to job satisfaction are:
 - Respectful treatment of all employees at all levels
 - Compensation/pay
 - Trust between employees and senior management
 - Job security
 - Opportunities to use their skills and abilities at work
- Some effective strategies for retaining talent are listed below:
 - Present job applicants with a realistic job preview during the recruitment process.
 - Socialize new employees through practices such as shared and individualized learning experiences, formal and informal social activities, the pairing of new employees with more seasoned role models.
 - Provide opportunities for employees to update their skills and acquire new ones.
 - Structure compensation and rewards packages to focus on employee retention.
 - Invest in supervisor and management development/skill-building.
 - Engage employees in their workplace.

- Understanding what drives retention generally and at the organization specifically enables leadership to tailor a retention program that fits the unique needs of the organization. Research on retention, best practices, and benchmark surveys can help management understand issues that drive retention, generate ideas and compare performance to peers. Then, data collection and research specific to the organization can foster a deeper understanding of retention issues at the organization in order to determine and link strategies to address them.

MORE INFORMATION

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