

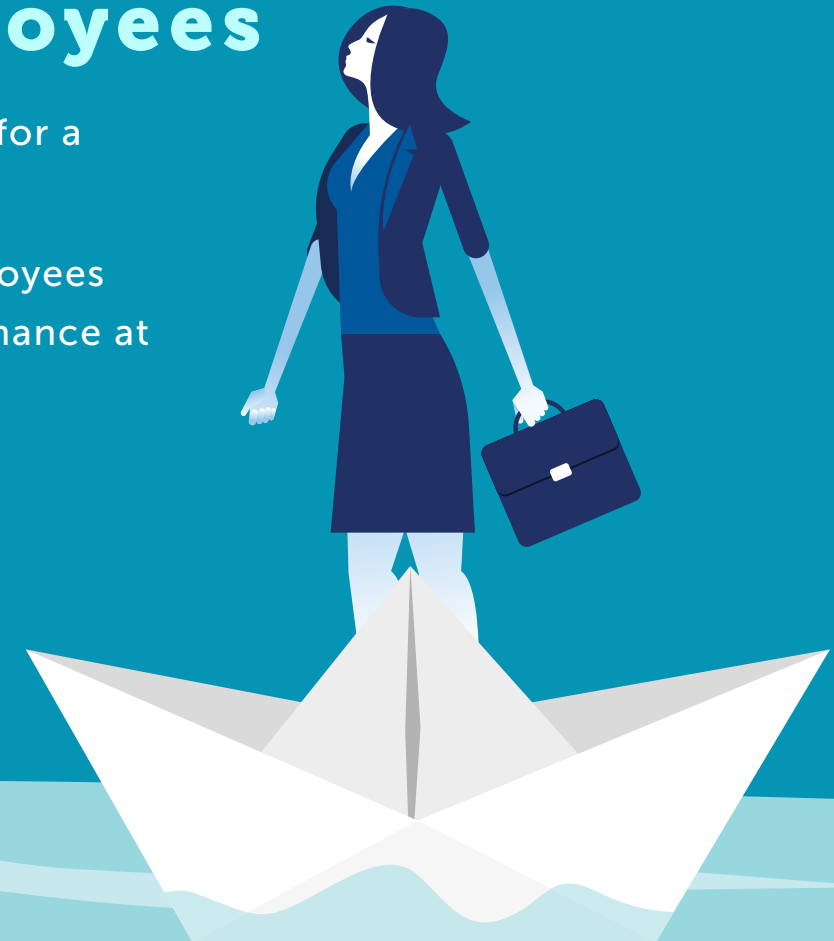


PREVENTING THE TURNOVER TSUNAMI:

A Manager's Handbook for Keeping Great Employees

More than half of U.S. employees intend to look for a new job this year.

Will the "return to normal" tempt your best employees to leave? Here's how to drive loyalty and performance at every stage of the employee experience.



WHY IS EMPLOYEE RETENTION A GROWING CONCERN?

Much attention has been paid to getting unemployed people back to work who were let go or otherwise left employment. Meanwhile, many employees continued to plug away behind the scenes, either remotely or on-site. As a result, some of them may feel resentful or taken for granted.

Experts predict a tsunami of turnover at the end of the pandemic, which can mean big problems for businesses.

But companies that make retention a priority can expect several benefits:

REDUCING COSTS. Turnover is expensive; replacing an employee can cost up to 400% of their annual salary.

These factors include:

- Advertising, interviewing, screening, and hiring
- Onboarding, training, and managing a new employee
- Lost productivity while the new employee ramps up
- Impact on the morale of other employees

INCREASING FOCUS. Replacing people distracts from your mission. Retaining employees gives you more time to focus on core tasks and revenue-driving activities.

BUILDING TRUST. The longer the tenure of employees, the more cohesive the working environment and company culture.

RETAINING EXPERTISE. Losing employees means losing institutional knowledge, which can be nearly impossible to replace.

IMPROVING MORALE. If your front door is more like a revolving door, employees will lose confidence in the organization.





WHY ARE EMPLOYEES LEAVING? OR NOT COMING BACK?

The reasons are manifold. Some found new opportunities; others were discouraged by how employers handled the pandemic. Some found themselves burned out or disengaged. Others are turning a pandemic side-gig into a full-time job.

Hospitality Is One of the Hardest Hit Sectors

Some assume these jobs are going vacant because potential employees are sitting home collecting unemployment. While that can be the case for some, more frequently, hospitality employees were forced to move into other industries when hotel and restaurant jobs dried up during the pandemic.

Many of these employees are never coming back no matter what employers do, particularly if they have found jobs with higher pay, better benefits, and more consistent schedules.

PEOPLE ARE FINDING THEIR PATHS

They are retiring early or starting their own businesses rather than return to the workplace. This is particularly true of those who became ill or spent the pandemic caring for loved ones or homeschooling their children.

Still, Other Employees Are Just Plain Gone

People will put up with a lot to live in a big expensive city. They are willing to live in a studio apartment or share a place with many roommates. But part of the bargain they struck was that they wouldn't be spending a lot of time there, thinking they would be out and about enjoying the advantages of city living such as culture and entertainment.

When those cities shut down, residents were stuck – often alone – with nothing but their own four walls and thoughts. Some of these people just left the city, either returning to their family homes or moving somewhere with a lower cost of living or more space. In many cases, it was remote work or unemployment benefits that made this option possible.

To retain or attract these employees, you'll need to make remote work an option or offer irresistible perks.



EMPLOYEES SELF-REPORT THESE REASONS FOR NOT RETURNING TO WORK

Several surveys provide insight into the most highly reported reasons employees cite for not returning to work. They include:

Long Hours

Employees have been working even more while remote in an effort to demonstrate their productivity and indispensability. They start earlier or continue later or skip their lunch break. This decision can have lethal consequences. Working more than 55-60 hours a week has been correlated with a higher risk of premature death.

Burn Out

According to a survey of 1,000 workers conducted by Eagle Hill Consulting, a Washington, D.C.-based management consulting firm, 57% of U.S. employees say they are burnt out. Both millennials and women report higher levels of burnout, as do employees with kids remote learning at home.

For most employees, the solution to burnout is leaving their job. It might not even occur to them to go to their employer for relief. The ones who do are often told something simple like to take a day off, but the work will still be there when they return the next day.

Better Opportunities

Achievers Workforce Institute conducted a survey of 2,000 employed adults who reported:

- 52% were actively looking for a new job.
- 35% would leave their current employment for better compensation and benefits.
- 25% would leave for better work/life balance.

Lack of Engagement

Engagement suffered as a result of the pandemic. Employers didn't know how to maintain engagement through the pandemic, losing common channels for employee feedback, recognition, and company culture:

- 46% of respondents felt less connected to their company.
- 21% felt very engaged at work.



COVID-19 IMPACTED EMPLOYEE MENTAL HEALTH

The pandemic went on longer than anyone could have anticipated. For many, this led to a failure to thrive called languishing: going through the motions of life with a sense of detachment.

Languishing is caused by the global anxiety experienced since early 2020. This fight or flight response people experience is a survival instinct intended to react to short-term danger.

Humans are not meant to live in this condition for an extended period – more than a year in the case of the pandemic.





THE PANDEMIC GAVE RISE TO THE “YOLO ECONOMY”

For many people, the pandemic awakened a feeling that life is too short to work a job they didn't love. They chose instead to make their side hustles into their full-time jobs in many cases.

Especially susceptible to this feeling were those who were let go by their employers and needed to augment their unemployment benefits, as well as those who were unhappy with how their employer handled the pandemic.

Still others found they were able to get more done in less time while working from home and have no interest in returning to a traditional office now.

They realized that a full-time salaried job was not as risk-free as they thought and are more willing to put their faith in themselves than the system.

With more than half of American employees planning to look for a new job in 2021, how can you be sure your employees won't be among them?

MAKE EMPLOYEE RETENTION A PRIORITY

Companies are worried about retention—and with good reason. High employee retention can save companies time and money and ensure a higher quality workforce. While it's essential to bring in fresh blood and new ideas by hiring, the longer an employee has been with you, the more efficiently and cost-effectively you can operate.

Build Retention Into Your Mission

Create a strategy and put resources and talent behind it. The goal of retention must be built into all HR functions, from onboarding to professional development to compensation and promotion. Measure results to ensure you're on track and adjust the plan as needed to achieve results.

Ask Employees What They Want

The first step to retention is to get input from your employees – ideally, anonymously so they can be honest without fear of reprisal. You might be surprised by the response. Commonly they look for support, recognition, and opportunity.

Top responses typically include:

- More generous compensation
- Flexible schedules
- Advancement opportunities
- Remote-work arrangements

If you didn't handle the pandemic well, this is your chance to make it up. If your employees worked through the pandemic, show your gratitude in ways that matter (hint: ordering pizza's not going to cut it!).

Try some of the following ideas to avoid being swamped by the turnover tsunami.



Streamline Onboarding

Get off on the right foot by making each new hire's entry a positive one. Give them the information they need to succeed in their job and integrate into the organization. Introduce them to the team and make it simple to find resources (it's embarrassing to continually ask new questions). Provide new employees the tools and opportunities to feel confident and successful as they start work.

Listen to Employees

Conducting employee surveys, encouraging an open-door management style, discussing professional development, and offering mentorship opportunities can go a long way to creating a supportive environment.

Recognize Employees

Be sure managers and supervisors understand what constitutes adequate compensation, and they are not stingy with praise and encouragement. It stokes self-esteem, encourages creative work, and fosters feelings of teamwork and camaraderie.

Foster a Culture of Learning

Give employees a chance to stretch themselves and learn new things, even if there is an element of risk and the possibility of failure.

Make Collaboration Easy

Working together is a part of most workplaces. Why make it tougher than it needs to be? Hybrid workplaces, in particular, can make it challenging. If you put the right software and systems in place, it can be seamless and productive.

Keep Top Performers Engaged

Companies should identify top performers and shepherd their career growth. Expose them to development options and advanced training. Open a dialogue about career progression and compensation.

Keep Pay Rates Competitive

If you've had to pay new employees more to get them to join your company, be sure current employees' wages are adjusted accordingly. Consider giving employees an extra week of vacation and encourage them to use it.





Have Some Fun

Try games, quizzes, or trivia so employees can get to know each other on an informal basis. People feel more engaged when their co-workers feel like friends. Not everyone wants to take family time to go to an after-work happy hour (which has landmines of its own), but many will enjoy taking (an optional) half-hour out of the workday.

Attract With Perks

Set yourself apart from the competition with tangible and intangible rewards. Take a look at job postings in your industry or area to see what others are offering. Child care allowances may be popular in one area, while others prefer tuition reimbursement.

Offer Health and Wellness Programs

Start by making sure your insurance coverage is competitive and includes dental, vision, and mental health care. Then, look at what else may be popular with your employees, such as gym memberships, alternative medicine, or CSA (farm share) membership.

Encourage Mental Health Days

When an employee needs a reset day, it shouldn't be mocked; it should be encouraged. It can prevent burnout, reduce stress, and improve retention.

Do Mid-Year Vacation Check-Ins

Americans get dramatically less vacation than other industrialized nations; worse yet, people don't even use what they get! It's even a point of pride for some. Others feel pressured by employers to be present no matter what the consequences. Don't let this be you. It's a recipe for burnout.

Conduct Stay Interviews

For many companies, exit interviews are part of their policy. Taking the time to sit down with employees on the way out can be an effective method of finding out where you're going wrong. But maybe not. The exiting employee could be holding a grudge or have no investment in honest feedback.

Fewer organizations add stay interviews to the mix, taking the time to ask current employees why they stay and what could encourage them to continue. For best results, use a third party to conduct the interviews, and take care that you don't structure the questions, so you only hear what you want to.

INCLUDE TEMPORARY AND CONTRACT ASSOCIATES IN YOUR RETENTION PLAN

Typically, employers bring in temporary and contract employees to pick up the slack for the full-time team. What happens when you can't hang onto them either? When unemployment is low, it can be tough to get people to stay or even show in the first place.

Here's how you can be sure you have the interim staff you need:

MAKE THEM FEEL LIKE PART OF THE TEAM.

They'll be more engaged and invested in the organization's success if they are welcomed at all levels.

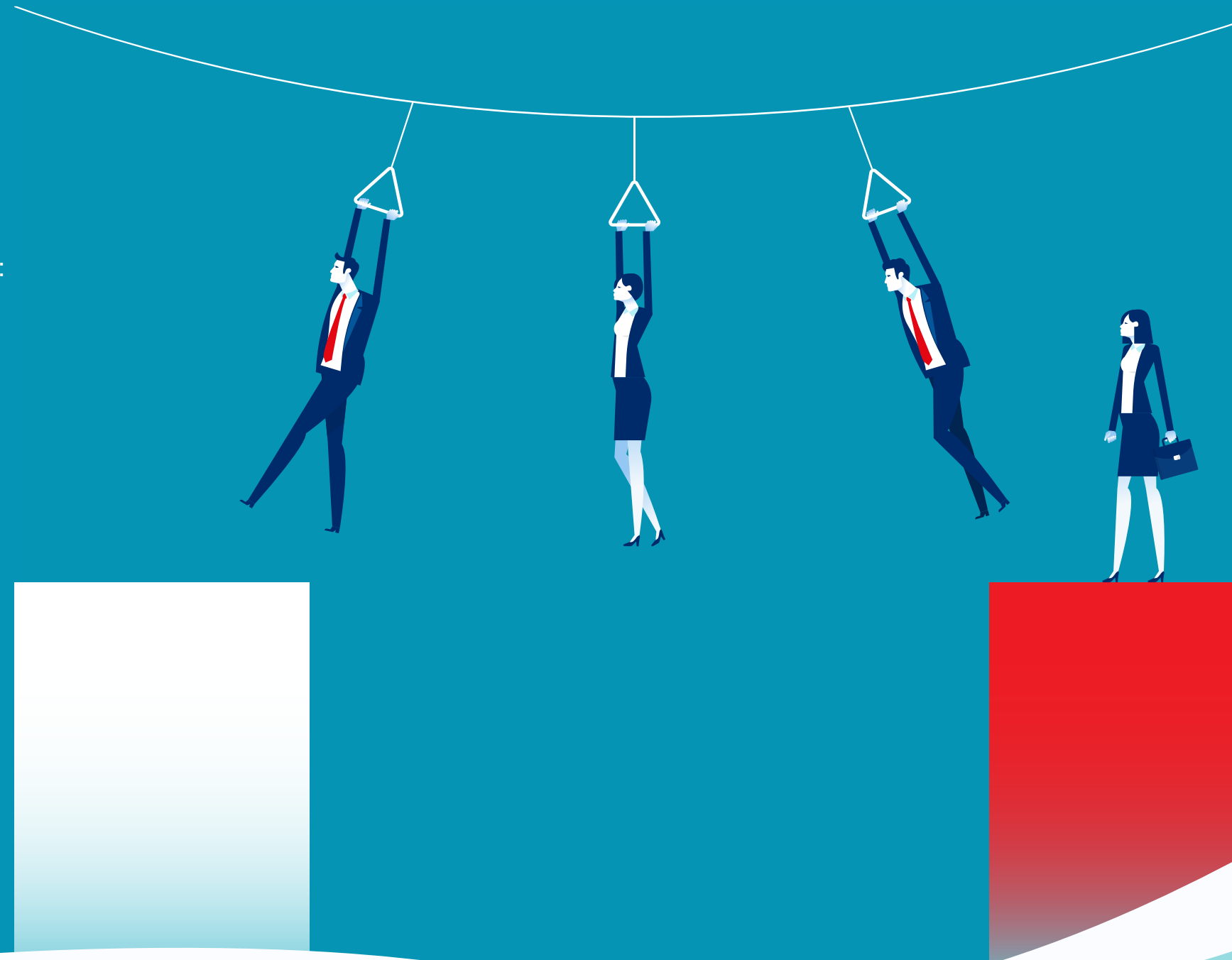
REWARD THE BEHAVIOR YOU WANT TO DRIVE. Consider measures like bonuses for attendance or successful completion of their assignment.

CHOOSE THE RIGHT STAFFING PROVIDER.

Look for firms with a reputation for treating their people well.

ADD TOP PERFORMERS TO YOUR STAFF.

If a temporary employee consistently exceeds expectations, when you're ready to hire, talk to your staffing partner about converting them to full time.



PARTNER WITH A STAFFING FIRM YOU CAN TRUST

Many of the issues discussed here can be addressed by working with a staffing partner. They can help pick up the slack while you look for full-time staff or help you catch up if you've fallen behind on projects.

Temporary employees can cover the workload while members of the full-time team take a well-deserved vacation or spend some time on training that will make them more valuable to the organization and enhance their professional development.

Staffing and recruiting firms can also help with hiring. Sourcing, attracting, and screening talent is where they excel. They can dramatically increase the chances of finding people who will thrive in your organization in the long and short term.

Ready to find – and keep – great people?

CONTACT YOUR STAFFING PARTNER TODAY.



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