

What is Employee Retention?

Employee retention is nothing but a simple process involving different measures, undertaken to encourage employees to remain in the organization for the maximum period of time. Employee management is beneficial to both the employer as well as the employee. HR professionals across the globe are resorting to various employee retention strategies in order to reduce the rate of attrition. Neglecting employee retention can result in a weak talent pool, which will ultimately affect the organization's future.

Employee Retention Tips

Prudent employers should not only know how to lure new employees, but must also know how to attract and retain their current ones. Undertaking a few employee retention tips can help the employers in measuring employee retention effectiveness in the organization. They are as follows:

Fair Compensation: Employers often are under the impression that compensation packages are enough to keep the employees glued to the company. Although compensation packages are not the main reason why people stay in the organization, it plays a significant role in maintaining the job satisfaction. The employer ought to offer fair compensation packages, or else dissatisfaction will creep into the employees. Moreover, the employees' efforts ought to be recognized and appreciated by the employer in the form of raise, bonus and other monetary rewards. Fair pay indicates that the employer respects his employees. Moreover, additional benefits and rewards help maintain employee satisfaction and induces employee motivation, loyalty and commitment.

Communication: The employer has to make sure that the employees know their roles, responsibilities and job description. Any new expectations must be clearly explained to the employees. Employees often end up frustrated, when they are nailed for something they did not know they had to do. The clarity level has to be maintained. Any new policies and changes made in the organization must be brought to the notice of the employees, to be sure that all are on the same page. It is better that the employees are officially notified, rather than the message being passed informally throughout the organization.

Include Employees in Decision Making: Employees often feel that they are burdened with decisions made by the employer and management. It is advisable to include the employees while decision making, especially when the decision affects the employees. This step will aid in employee participation, and the employees will feel like they are a part of the company. Just calling meetings, listening to the employees views and then deliberately ignoring their suggestions is also incorrect. The employer has to be open to the ideas of the employees, and has to broaden his perspective from 'my company' to 'our company'.

Growth Opportunities: A sense of stagnation at the work place is one of the major reasons why people leave the work place. Employees are always on the lookout for growth and better opportunities. Employees should not be given the chance to feel bored, but must be challenged with new responsibilities. Nobody wants to remain where he is, but all aspire to climb the career ladder. The organization which offers good opportunities to the employee to acquire new skills and knowledge will be able to have a greater hold on the employees.

Flexibility: The employer cannot neglect the fact that the employees have a personal life besides the work life. When work life begins to take a toll on the family life, no amount of money can keep the employee from leaving the organization. Employees need to be given the flexibility to balance it out. An organization should not act like a juice squeezer, which squeezes out all the juice from the fruit. Proper flexibility will inculcate a feeling of wanting to work in the organization, instead of having to work. A 'sweat shop' attitude will result in higher attrition rate.

Employee Recreation: Employee recreation should not be considered as an additional cost involving consumption of precious time and money, but as an investment. A work place with no recreational activities spearheads a dull and monotonous work environment. Various employee welfare activities such as birthday celebrations, picnics and several other interesting activities ought to be conducted, to lighten up the atmosphere. Such events not only breaks the ice between the management and employees, but also improves relations between the employees. Formation of small friends circles will reduce and employees will interact with all their colleagues, and a teamwork will improve.

Employers cannot live to please the employees, as at the end of the day, a business has to be run, and profits are to be made. However, what it is essential for the employer to remember that employees are human beings, and can be pushed to only a limited point, beyond which if pushed, results in frustration. Striking a balance between earning profits and employee welfare is highly essential for the success of the company.