

5 Keys to Attracting and Retaining Employees

by Julie Markee, Key Process Innovations

During the 64th Annual Fall Technical Conference's "Managing Change" panel discussion, three managers discussed different areas of change within their businesses. One of the common themes was the shortage of qualified workers. The panelists addressed this shortage by increasing automation, enhancing productivity or outsourcing some of the processes. Regardless of the tactics utilized, it is still critical to have a strategy to ensure that your business is able to attract and retain the most qualified employees. This article outlines 5 keys that can enhance the effectiveness of your strategy.

Know the Reasons Why

What is your employee retention rate? Why are you hiring new employees? Are you losing good employees to local companies? Knowing the answer to these questions will help identify which areas of the employee experience need to be augmented. If the retention rate is slipping, ensure the exit interview captures the reason for the employee's departure and then take steps to address areas of deficiency. If the business is growing and more employees are needed, highlight that message in the job postings. Employees want to know they are working for a healthy, growing company.

The Society of Human Resource Management (SHRM) estimates the cost of losing an employee can be 6 to 9 months of their annual salary. Other organizations estimate the cost to be much higher. When evaluating the business cost, consider all factors including the team's time to review applicants, performing background checks and interviewing selected candidates in addition to the time spent training the employee. Understanding these costs and taking steps to improve employee retention can have a direct impact on the bottom line.

Onboarding

Another area which can impact company profitability is onboarding. A report from SHRM found that half of all hourly employees leave within the first 120 days. However, another study completed by the Wynhurst Group found that having an effective onboarding process can increase employee retention by 58 percent, and improve employee performance by 11 percent.

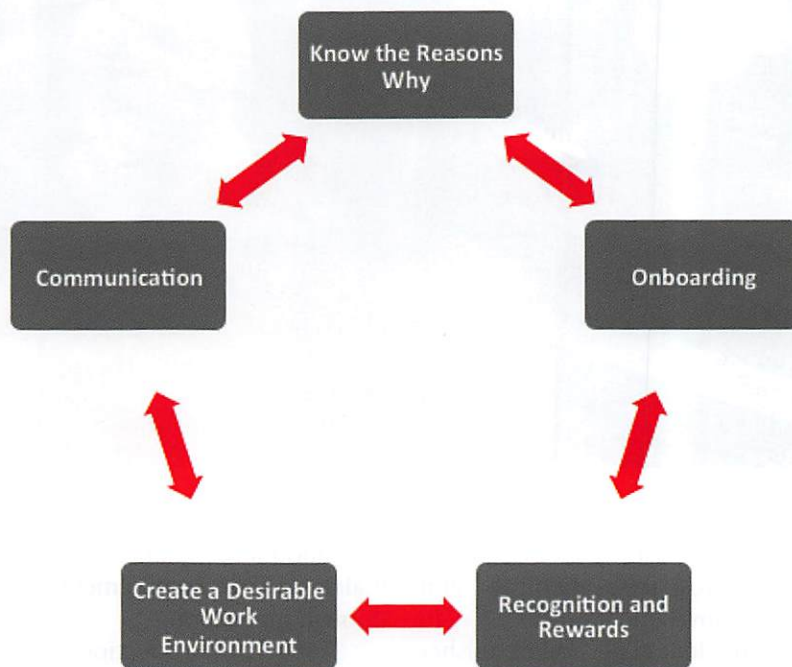
Most employers believe onboarding entails having an employee sign the required company forms, safety training and possibly lunch on the first day. However, an effective onboarding process goes beyond the employee's first day. It can extend 30, 60 or 90 days and beyond. Wikipedia defines onboarding as the mechanism through which new employees acquire the necessary knowledge, skills, and behaviors to become effective organizational members and insiders.

Key steps in an effective onboarding program include preparing for the employee before she arrives, developing an onboarding outline containing a calendar of scheduled meetings including information the employee should gather from those meetings and established goals at predefined intervals to measure the employee's progress as he adjusts to his role within the company. Once onboarding is complete, begin to shift the conversation towards employee development and advancement.

Recognition and Rewards

How do employees receive feedback for good performance? A common misconception is the only way to show appreciation is through financial rewards. But, a recent Gallup study revealed that having a formal or informal recognition program does a lot more than boost employee morale. It can increase productivity, improve employee

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satisfaction, enhance customer relations, reduce workplace accidents, and be a great recruiting tool.

Establishing a recognition program needs to start at the top with a strategy. The program isn't "one size fits all", but, it should be consistently applied, respect differences within the workforce and offer relevant rewards. Don't get caught up in designing the perfect program, but, rather, identify the behaviors that are tied to the success of the organization and then start recognizing them.

Create a Desirable Work Environment

What is your business's Unique Value Proposition? What is the compelling reason that an employee would want to work at your company? Is there an opportunity to master a skill that would be of interest to an employee?

"People come to work not necessarily to be happy, but for autonomy, an opportunity for mastery and fulfillment," shared Eric Albertson, a Certified EOS Implementer. Unfortunately, Albertson has witnessed that most employers create an environment which is contrary to what the employee is seeking including arbitrary rules and double standards.

Having an opportunity to make a meaningful contribution resonates with most people, especially those talented employees that you are trying to attract and retain. In some cases, this contribution is applying a skill to his work, but in other cases, it is providing an opportunity to volunteer for a meaningful cause. Being mindful of the employee's passions and interests and finding opportunities to engage those passions will provide for a deeper connection to the workplace.

Communication

Employees sense mood shifts within the management team even if they don't know the reason why and without good communication, this can lead to rumors and incorrect assumptions. If there is an issue impacting the business, explain the situation to the employees. They may have a solution that the management team hasn't considered.

Formal communication on a quarterly basis is always helpful, but, less formal communication is also valuable to keep the employees "in the know" between those meetings. Don't be afraid of sharing too much – the more

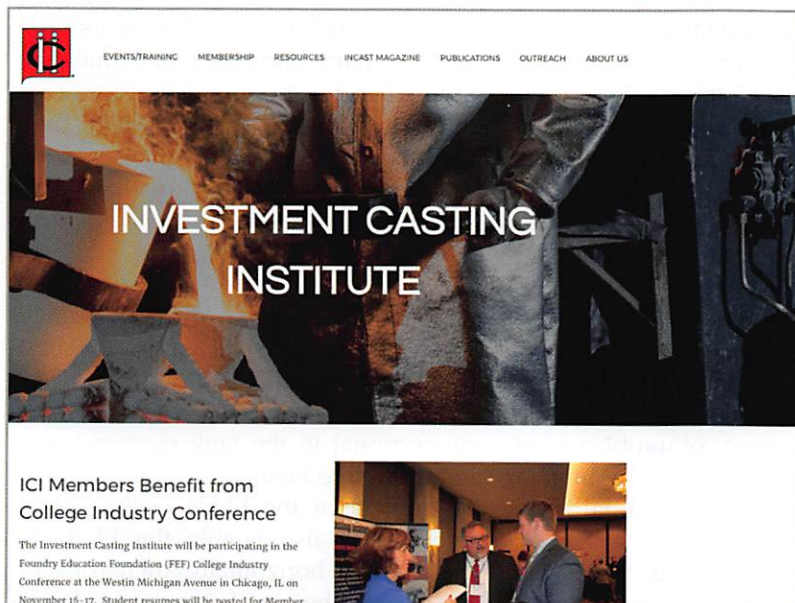
open the communication, the more the employees grow to trust management.

Businesses need employees to be fully engaged at work in order to respond to the increasingly competitive business environment. This can be achieved by creating an environment where employees feel they are contributing to the greater good while also being recognized for their individual contribution. This approach will go a long way towards earning the reputation for being the employer of choice in your community.

About Julie Markee

Julie Markee is a highly conscientious, detail-oriented consultant working directly with companies as a part-time Process Efficiency engineer or a full-time Interim Operations Manager. She utilizes tools from Lean Manufacturing and 6 Sigma, along with her extensive process experience to reduce complex challenges into manageable steps resulting in stream-lined processes, enhanced employee involvement and increased profitability. Learn more at www.keyprocessinnovations.com.

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