

## Employee Turnover: How to retain competent employees

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Retaining employees is as important as finding and hiring them. Losing employees can prove to be costly for an organisation. An employee leaving means that an organisation will need to invest in recruiting, selecting and training a new hire to replace the person that would have left.

Employee turnover has many causes, it is up to an organisation to analyse the level of turnover present in the organisation and deal with it taking into consideration your own business context. The first question most employers have is which employees are likely to leave the organisation? Research has shown that the first to go are those who are already thinking of leaving and are searching for other jobs especially in cases whereby there are many alternatives in the market. Another reason for turnover that I came across is “people leave bosses, not jobs”. Employees are perceived as being likely to leave their job if they feel their manager handles issues unfairly or the employer has failed to deliver on their promises. Overall job satisfaction is also linked to employee turnover-the more satisfied employees are the less likely they are to leave.

Employee turnover is something every business will experience. Once an employee enters an organisation the only natural thing left for them to do is to leave at some point. Many might think that money will answer or reduce the issue of turnover. There is a myth that most organisations believe that one of the main reasons why people leave is because of money. General compensation and financial rewards alone may have a limited impact on employee turnover. Pay (both base salary and bonuses) has only a small-to-moderate negative effect on employee turnover (Rubenstein et al. (2017)). So if not pay, how can we reduce the risk of turnover? Well it is time employers went over and beyond the pay issue. Below are some possible approaches that organisations could use to reduce turnover:

1. **Hire the right people**- In as much as it is important to find a candidate that has the right skills and qualifications for a particular role in your organisation, it is also key to find people who fit into the organisation. It is key to find individuals who fit into the behavioural and cultural aspects of the organisation. When one does not fit into the culture of the organisation, chances of them feeling frustrated and leaving are higher. When an employee does not fit into an organisations culture, they are likely to feel unhappy, fail to get along with co-workers and possibly feel lonely. An outstanding performing employee who does not fit in with the behaviours and culture of your organisation is likely to take their skills and find another organisation where they will fit in culturally.
2. **Career Growth**-Employees are likely to stay in an organisation where there are prospects of career growth. Most employees want to increase their skills and knowledge and move up the career ladder. Showing employees a projected career path gives them a sense of direction and purpose. Career advancement can be offered through coaching and offering training opportunities-giving them an opportunity to learn new skills and practice them.
3. **Encouragement & Recognition**-When employees feel appreciated, encouraged, desired and

respected they are likely to stay. Employees desire to work in a positive and encouraging environment, they need encouragement and recognition. Leaders should take time to recognise and appreciate employees' achievements. This can be done through praises, recognition in front of other employees, rewards, etc.

4. **Offer competitive pay and benefits**-People generally want to be compensated well in order to meet their individual needs. When determining compensation for your employees, it is ideal to conduct market research so as to see what the market is offering for such positions. Your compensation and benefits must be competitive so as to reduce the chances of employees leaving on the basis of compensation.

Employee turnover can never be completely eliminated, there will always be employees who want to leave your business. But it can still be reduced by providing a workplace where employees want to stay.

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