How to Design an Employee Retention Policy

 Author: Carl Tapi . November 2019

Employee retention programs can help organisations protect their most valuable assets: its people. High turnover rates cost time and money and indicate that your organization is a stepping stone, rather than a destination. Whenever someone walks leave your organisation, people notice. Some will even start wondering if they should start looking for a new job, too. That is why employee retention and employee job satisfaction should be high on every organization's list of priorities.

Succeeding in your employee retention efforts requires you to think about things from the team's point of view. An effective employee retention policy should address all potential staff concerns. In fact, your employee retention efforts should start on a new hire's first day on the job. The support you provide from the first day sets the tone for the employee's tenure at the company and boosts job satisfaction.

The first step in creating or improving an employee retention policy is knowing where you stand compared to industry benchmarks. Use the appropriate formulas and tools to calculate your employee turnover rate, compare it to your industry's average and analyze your findings. Depending on whether your turnover is high or low, you can improve or maintain your rates. Ultimately, you should aspire to create a work environment where employees are engaged and aim to deliver their best. Your employee retention policy should focus on the following key areas;

Onboarding and orientation

Every new hire should be set up for success from the very start, from the first day of work to the first week and beyond. Aim to develop an onboarding process where new staff members not only learn about the job but also the company culture and how they can contribute and thrive, with ongoing discussions, goals and opportunities to address questions and issues as they arrive.

Employee compensation

It is absolutely essential in this competitive labor market for companies to offer attractive compensation packages. That includes salaries, of course, but also bonuses, medical aid, retirement plans and all the other perks that can distinguish one workplace from another.

Recognition and rewards systems

Every person wants to feel appreciated for what they do. You employee retention policy should ensure that your organisation has a performance management system that is objective and recognizes and rewards superior performance.

Work-life balance

What message is your company culture sending? If staff are expected to regularly work long hours, you will likely run into issues with employee retention. Burnout is real. A healthy work-life balance is essential, and people need to know that management understands its importance. Encourage staff to take vacation time, and if late nights are necessary to wrap up a project, see if you can offer late arrivals or an extra day off to compensate and increase job satisfaction.

Training and development

Most professionals want the possibility for advancement. Good managers invest in their workers' professional development and seek opportunities for them to grow. Some companies pay for employees to attend conferences or industry events each year, or provide tuition reimbursement or continuing education training.

Fostering teamwork

When people work together, they can achieve more than they would have individually. Foster a culture of collaboration that accommodates individuals' working styles and lets their talents shine. Do this by clarifying team objectives, business goals and roles, and encouraging everyone to contribute ideas and solutions.

As your develop your organisation's retention policy it is important to keep in mind that it should align with your company culture and focus on improving employees' productivity. Making a counteroffer to an employee who has decided to leave is only a short-term solution. Employee retention strategies come in all shapes and sizes and employers should regularly check in employees, discover their level of job satisfaction and learn what they need to boost their productivity. If you understand your employees' interests and values, you will be more likely to retain them.

Carl Tapi is a Consultant at Industrial Psychology Consultants (Pvt) Ltd, a management and human resources consulting firm. **https://www.linkedin.com/in/carl-tapi-45776482/** *Phone +263 (242) 481946-48/481950 or cell number +263 772 469 680 or email:* **carl@ipcconsultants.com** *or visit our website at www.ipcconsultants.com*

https://thehumancapitalhub.com/articles/How-To-Design-An-Employee-Retention-Policy