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how to stop your talent from quitting and reduce employee turnover.

Most managers and business owners already know that employee turnover puts their organizations at a disadvantage. Few of them, however, have taken a close look at the numbers to determine exactly how much high employee turnover costs them.

One [case study](#) that explores the true cost of employee turnover found that retaining an employee for three years instead of two years can benefit a company by as much as \$1.3 million over the three-year period.

Even some of the most conservative estimates show that losing an employee can cost your company 1.5 times the person's annual salary. If that person earns \$50,000 per year, then you can expect to lose at least \$75,000 when the employee decides to take a position with another company. The more money an employee earns, the more expensive losing him or her becomes.

Employee turnover costs so much because you have to include the price of factors such as:

- Advertising the open position
- Screening and reviewing applicants
- Training the new hire
- Lost productivity
- Errors caused by inexperienced employees learn how
- Cultural impact that can affect other employees

Whether you believe the low or high estimates, it clearly costs a lot of money to lose an experienced employee. You should, therefore, focus on employee retention strategies that will help stop your talent from quitting. In return, you'll save money on recruiting and training, maintain higher productivity and avoid expensive errors.

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improve your employer brand

Websites like Glassdoor and Facebook make it easy for workers to share their experiences with other people. When your employees start to think about searching for new jobs, they often search the internet to learn about better opportunities and employers. If they discover that your company gets a lot of negative reviews, then your workers will feel even more motivated to leave.

Improving your employer brand will give your business a better reputation so you can attract highly qualified applicants and retain the employees you already have. [Good employer branding](#) doesn't happen on its own, though. For strong employee retention, you need an employer branding strategy that will help you reach your goals.

A successful employer branding strategy will vary depending on your industry and workers. Generally, though, you can improve your employee brand by:

- [Surveying employees and actively incorporating the feedback](#) into your employee retention plan
- Communicating with unhappy employees to find mutually beneficial solutions
- Building a corporate culture where everyone feels welcome and valued
- Creating metrics so you can measure the success of your employer branding strategies

give employees meaningful raises

In real dollars, middle-class employees [haven't gotten raises](#) in more than three decades. People know that they aren't getting ahead financially. For

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obvious reasons, they're happy to leave jobs for positions that pay more. In some cases, moving to another business is the only way for them to earn more money.

Giving your employees significant raises makes it much easier for them to stay within your company. Instead of matching inflation, create a schedule that will help your employees grow wealth.

offer the benefits employees care about

One survey finds that [72 percent of employees](#) say their loyalty would increase if they had the ability to customize their benefits. Giving everyone the same benefits, therefore, may not prevent your talent from quitting. Instead, you should take a personalized approach that focuses on the benefits that employees care about.

If you run a small business that doesn't have a human resources department large enough to meet this goal, then you should concentrate on giving employees benefits that have already proven popular.

The benefits that mean the most to today's employees include:

- Health insurance
- Paid time off
- Performance bonuses
- Paid sick days
- Retirement plans

If you have a lot of young people working for your company, then you can offer flexible schedules as a way to keep them happy. While older employees may not care a lot about flexible schedules, [Millennials find workplace flexibility very appealing](#).

provide training and career advancement opportunities

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Employees care about career mobility. They want to know that they will have opportunities to learn new skills and advance within their organizations. When they don't see paths to advancement, they will start to look for new opportunities elsewhere.

About 87 percent of companies say that they [believe internal promotions improve retention](#). Despite this, only about a third of businesses have internal mobility programs. This cognitive dissonance can cost companies thousands or even millions of dollars per year.

Providing a clear path to advancement helps improve employee retention rates. Employees should know what they have to do to reach their professional goals. If they follow through by taking advantage of training opportunities and meeting productivity expectations, then employees should know that they will get rewarded.

At the very least, you should focus on promoting from within your organization and giving employees more opportunities to grow their skills so they can qualify for advanced positions.

Knowing how to lower your employee turnover rate can have a dramatic influence on your company's success. With the right approach, you can keep your employees engaged, rewarded and satisfied so they will want to stay within your organization instead of leaving your company to find better opportunities.

want to learn how employer branding can help you reduce your turnover?

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