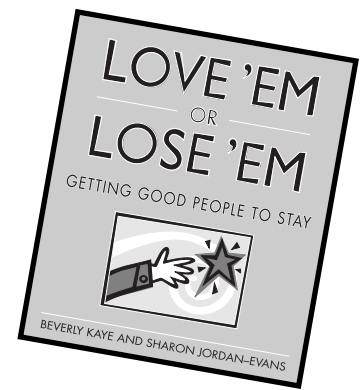


The Buck Stops Here.

When it comes to employee retention, managers simply can't pass the buck.

by Beverly Kaye and Sharon Jordan-Evans



To Do

- ★ *Pay attention to the research about what keeps people. Note that most of the proven strategies are within your control.*
- ★ *If you manage managers, hold them accountable for hiring and keeping good people in the organization. Establish clear expectations and measure results. People do what is inspected more than what is expected.*
- ★ *Try just one thing. See how it works. Modify and adapt it to fit your needs. Then try another.*

Are you one of those managers who puts the responsibility for keeping key people squarely in the hands of senior management? Do you blame your organization's policies or pay scales for the loss of talent?

Believe it or not, you, as a manager, frontline supervisor, or project lead, have more power to keep your best employees than anyone else. Why? Because the factors that have been proven to drive employee satisfaction and commitment are largely within your control. And those factors haven't changed much over the past 25 years. What satisfies people and, thus, causes them to stay is meaningful and challenging work, a chance to learn and grow, the sense of being part of a team, and good bosses.

Good Employees Cost—A Lot

So what? Can't you just replace them? You might be able to replace your key people, but at what cost? Countless studies suggest that the cost of replacing key people runs between 70 percent and 200 percent of their annual salaries. And there are several other reasons for implementing retention programs, like:

- ★ Talented people are under constant pressure from competitors to defect.
- ★ Good people are, and will be, more and more challenging to find.
- ★ New hires are demanding 15 percent to 35 percent more in pay than the employees they're replacing.
- ★ High-tech workers, managers, and professionals cost twice as much as other employees to replace.
- ★ Many hidden costs are incurred through lost customers, lost sales, and declining productivity of coworkers and new people.

Plus, even if you can afford to replace them, will you be able to find them? The U.S. Bureau of Labor Statistics projects that there will be 151 million jobs by the year 2006, with only 141 million people employed (and many of them working two jobs). Federal Reserve Board Chairman Alan Greenspan recently said there are simply not enough people to feed the economic machine and declared that the limiting factor to our continued economic growth is people.

The Bottom Line

You have the power to greatly influence your employees' decisions about staying on your team. Show that you care about them and their needs. Remember them. Notice them. Listen to them. Thank them. Love them. Or lose them.



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