

How to Turn Around Employee Turnover



71% of workers are actively seeking new opportunities, according to the Society of Human Resource Management (SHRM). Here are some things you can start doing today to help improve employee loyalty.

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“Foster a culture of open communication, for example an open door policy in your employee handbook.”

– Jillienne Allgauer,
Paychex HR Services Area Manager

In this Paychex blue paper, you'll see why you shouldn't consider turnover to be an acceptable cost of doing business, and you'll learn what you can start doing about it today.

Here's What You'll Learn

- ✔ Costs of Employee Turnover
- ✔ Warning Signs an Employee May Leave
- ✔ Strategies to Help You Reduce Turnover



Overworked Employees—Deadlines and customer orders don't care if you're down an employee. That may mean you'll have to pay your remaining workers overtime in order to meet your company's obligations and deal with low morale that could lead to even more turnover.



Inadequate Customer Service— The loss of an employee's customer knowledge, experience, and relationships could result in misplaced orders, unanswered requests, missed connections, and ultimately lost customers.



Hiring a Replacement—Consider the amount of time and money needed to revise job descriptions if necessary, post to job boards, hire a recruiter, review resumes, schedule interviews and meetings. And then once the new employee is hired, they'll need onboarding and training too.

Major Life Change— Marriage, divorce, a sudden or serious illness, the birth of a child, or the death of a loved one—they may all cause us to stop and reflect on our lives, including our work situation. How you address these events may go a long way toward convincing an employee to stay with your business.

Change in Work Habits— Where there's a negative change in an employee's performance, from a direct drop in work quality to becoming disengaged from company activities, or displaying an attitude of not caring anymore, it may be wise to ask why they feel dissatisfied in their job.

Keeping Strange Hours— When a typically stable employee starts asking for random time off or begins to regularly arrive late to work or cut out earlier than usual, they may be looking for other employment or using up any remaining paid time off prior to moving on.

Having a Negative Attitude— If one of your top employees now seems unhappy or complains a lot, you may want to step in and address the situation. Other seemingly small changes may also be a sign of impending turnover, like joking about job hunting, increased activity on LinkedIn, dressing up more than usual, or working in isolation.

Strategies to Help You Reduce Turnover

Better Recruiting— While you should focus on hiring the most qualified individual for any position, companies with great retention records also prioritize a long-term fit during the interview process. Consider if a candidate makes a good cultural fit with your business' objectives and priorities.

Manager Training— There's a saying that workers don't leave jobs, they leave managers. Help your managers understand their role in employee retention and train them on skills that foster productive relationships and a positive work environment.

Measure and Support Engagement

Engagement is a hard-to-quantify statistic, but it may be critical to your long-term retention strategy. Some ways to improve employee engagement include encouraging strong relationships throughout the company, creating supporting ties among workers and between employer and employee.

Show Recognition

Employees' contributions can be recognized with monetary compensation and benefits, but employee recognition programs that offer awards, VIP parking, small gifts, and other public acknowledgements of a job well-done may also have a positive effect on employee retention.

Create Long-Term Career Opportunities

Employees are more likely to stay with companies where they know the possibility exists to grow their careers. Help candidates understand where each position can lead. Ask them what they want out of their careers and discuss different ways they could achieve their goals at your company.

“Supplementing these discussions with the assignment of a mentor or sponsor within your organization can also be an effective method of engaging and developing high potential employees.”

— Jillienne Allgauer

Address Millennials

A smart retention strategy takes generational differences into account, including millennial preferences in work environment and employee benefits. With the right balance, you could potentially build a loyal, multigenerational workforce that could improve your company's morale and productivity.

Exit Interview

Sometimes, employees will leave despite your best efforts. But you can turn that loss into an opportunity by conducting an exit interview. Schedule an exit interview soon after the employee informs you of his or her decision and then have an open, honest discussion about the reasons behind the departure.



Next Steps

Now that you understand the costs of employee turnover, the warning signs that an employee may leave, and some strategies to help you reduce turnover, here are some additional resources that may help you put procedures in place at your business.

1. [Small Business Owners Speak Out about Employee Turnover](#)

Hear directly from business owners about their own experiences regarding the warning signs that an employee intended to leave, and what they did to address the issue.

<http://www.paychex.com/articles/human-resources/owners-speak-out-about-employee-turnover>

2. [10 Articles to Help You Improve Employee Retention](#)

When you're ready to develop an employee retention strategy, here are some places to begin your research.

<http://www.paychex.com/articles/human-resources/10-articles-improve-employee-retention>

3. [Wellness Programs: Why They're Good for Business](#)

This Paychex blue paper looks at what a wellness program entails and what results you may be able to expect, so that you can decide whether encouraging healthy behaviors at your business may help you reduce turnover.

<https://www.paychex.com/a/d/white-papers/human-resources/bluepaper-wellness-programs.pdf>

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