

WORKPLACE STRATEGIES

People.Management

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Employee Retention

Employee retention is an increasingly important challenge for business. The move to a knowledge economy in the 21st century has brought about unprecedented levels of employee mobility and efforts to retain key staff have intensified. Workplace Strategies works with business to assist them to meet the challenge of retention and to reduce the costs of labour turnover.

The costs of turnover

Most organisations fail to recognise the true costs of staff turnover.

Turnover costs exist in a number of forms. There are tangible costs; termination payments to exiting employees, costs associated with advertising and interviewing candidates, recruitment fees and training. The American Management Association has estimated that the tangible costs alone of losing a staff member are between 12 months to 18 months (of that person's) remuneration. There are also intangible costs to be considered; damage to staff morale, loss of customers/clients that are aligned with the departing employee and the fact that it takes an incumbent up to six months to become fully operational. There is a further cost that is unique to South Africa, namely the employment equity ramifications of losing employees from previously disadvantaged groups. The costs of losing talented, black employees (in particular) are over and above the tangible and intangible costs suffered by the organisation.

The solution

Workplace Strategies assist organisations to implement programs that have positive effects on employee retention. The programs take some or all of the following forms, depending on the specific organisation's needs:

- ensuring that recruitment strategies are implemented that best suit the business
- identifying talent within the organisation and ensuring that talent is effectively utilised
- engaging employees in the mission and objectives of the business
- implementing innovative and attractive remuneration packages
- establishing reward and recognition schemes
- analysing management skills and competencies

- building training and development programs that encourage staff to progress within their organisation
- analysing poor performing parts of the business and implementing performance management systems
- assisting an organisation to build an internal brand whereby, over time, it becomes a recognised employer of choice

Return on investment?

An effective employee retention strategy brings about a range of positive results; increases in productivity levels, growth in sales figures, higher levels of customer satisfaction and of course, actual reduction in staff turnover.

If your experiencing valued staff members are being lost to your organisation, we can help.