25 Employee Retention Ideas
to Keep the Grass Greener on Your Side of the Fence
In this guide you’ll learn about retention basics and why retention is so important. We’ll give you 25 fresh ideas to help you improve retention for your business. You’ll also learn how retention varies for each generation, and for each unique business.

Ready to learn how to improve your employee retention?
Why Care about Lawn Care?

Business 101: It’s cheaper to keep an employee than to hire a new one... so let’s talk about some ideas to keep your employees around and happy through strategic employee retention tactics.

You’ve heard the saying before, “The grass is always greener on the other side of the fence.” Employees often have this attitude about their jobs. This guide will give you ideas to help you keep your grass so green they won’t even bother looking over at the neighbors’.

The grass is greener where you water it.
- Neil Barringham

You work hard to create a winning team of employees. Keeping this team together and happy is very important. Beyond the obvious cost cutting that employee retention offers employers by reducing turnover, it can also be a long-term HR strategy that can have a huge impact on your business when you create a retention plan that works. The question is, does your retention plan address the issues that are driving your employees to look for greener grass in the first place? Read on and we’ll try and help you answer this question.

In SHRM’s “Retaining Talent” guide it states the total cost of replacing an employee is estimated to be between 90% to 200% of his/her annual salary.

48% of employees are confident they can find a job that matches their compensation level within six months of starting to hunt.
- Glassdoor Employment Confidence Survey (Q4 2014)
To turn an unhealthy looking lawn into a healthy and green one, you must start with the roots. What is the real source(s) of your retention problems? This is a critical question to find out when and which tactics will produce results for your business. You could craft the most extravagant retention program based on all the latest and greatest statistics; however, you could end up aiming at the wrong target if you don’t start by listening to your employees and inquiring to find out what their “green grass” looks like and what changes they would make to your company. Their answers will help you discover what’s at the root of retention.

Some companies try to create golden handcuffs using high wages and salary levels, and the perfect financial incentives. The grass may look green because of these surface level incentives, but employees soon find out they were duped by artificial turf!

What really drives employees to come and go? The driving forces which make an employee’s eyes wander can be found at a much deeper level than typically thought. Let’s look at some ideas to help you avoid focusing on the wrong tactics to create a grass worthy of your competitors envy.

“People work for money but go the extra mile for recognition, praise, and rewards.”
- Dale Carnegie
Do your employees feel appreciated, secure, and accomplished? Do they feel like they play a role in the company’s success? Or are they really motivated by more practical factors like less direct supervision and better benefits? We tried to cover the whole gamut of reasons with this list of ideas for addressing these driving factors.

It Starts with Quality Soil

1. Know Your Retention Rate
Do you know your retention rate? If you don’t measure it, how will you improve it? Start here -- find out where you stand relative to your industry average. If you’re serious about improving your retention, you’ll need to know where you started.

2. Measure Performance
This may seem counterintuitive. Many employers don’t connect the dots from performance measurement to employee retention. Think about it this way: would a student remain motivated to learn if they were never evaluated on their learning progress? Employees long to know they are succeeding; this requires that success be defined and measured. You must tell them what you expect, and then hold them to it. It allows the employees to feel like they are using their talents and energy to accomplish something. An employee who feels their efforts are meeting expectations begins to feel like they fit in this role and are where they need to be.

3. Be A Winner
People want to be on the winning team.
One great way to retain employees is to make sure your business has the competitive advantage. Beating your competition is actually a great way to retain your employees. Make a habit of reminding your employees what sets you apart from your competitors. Just like a client, if an employee is well-educated about what makes you the best, the grass will look so green they won’t even bother looking on the other side of the fence.
4. Improve Communication
Is your management like a one-sided conversation that is easy to step away from? Strive to make your employment like a dynamic and interesting dialogue no one wants to leave. Clear, authentic, and effective communication is a retention tactic that all business owners can strive to improve.

Communicate to your employees that their work is making a difference. Inform them when they contributed to a win for your business. Make sure they always have a clear picture of where their contributions fit in the big picture. And never forget to LISTEN to your employees. If you don't, another employer will.

Try scheduling random communication or strategy meetings. Get your employees to open up about their expectations and emphasize that what they have to say is worth vocalizing. Back that up by listening and taking action.

5. Designate a Culture Team
Create a team that is focused on making sure people are happy. Task them to seek out what has a big impact on people's happiness and then create teams dedicated to protecting it and ensuring it happens. By designating a team of employees to do it, you're empowering them, showing you care, and employees are more likely to speak up when asked by other employees. (TIP: This team should not be called “retention team”. Name it something that communicates you care about them, not just “retaining” them.)

“At the heart of great corporate successes and failures is a single observable phenomenon: the behaviors and values that constitute a company’s culture largely determine its fate.”
- Eric Mosley in The Power of Thanks
Growing Healthy Roots

6. Have a Mission
Employees never want to feel like just another pawn on a chessboard. They want to feel like what they do matters and makes a difference. Create an awareness of something bigger than your company to which your employees are contributing. Let them know how they make the world a better place through their work. Attach this to a clear company mission that you follow. Even if your business is tough to attach to a “greater good,” communicate a clear value of doing good and making a difference that goes beyond your services/products.

7. Tap the Power of Core Values to Increase Employee Engagement
Core values give employees a sense of greater meaning and context for their work. If your employees don’t know your core values it’s very difficult for them to be engaged. Engagement is a key performance indicator of retention. Putting your core values on your website and on the wall in the breakroom does not mean your employees know and understand them. One key practice to tap the power of core values is to recognize your employee - and allow them to recognize their peers - every time they demonstrate one of your values at work. This will help connect your core values to tangible actions they take and get rewarded for.

- Employees who say their organizational values are “known and understood” are 51 times more likely to be fully engaged than an employee who responds that their organization does not have values that are known and understood - Modern Survey’s “The State of Engagement - Fall 2014”
- Employee engagement programs can increase profits by $2400 per employee per year - Workplace Research Foundation
- Organizations that have over 50% employee engagement retain over 80% of their customers - Demand Metric’s Employee Engagement Benchmark Report of December 2013

8. Be a Part of Your Employee’s Personal Mission
Find out their career goals and help them create a road map to reach those goals even if it’s not within the company. Not every employee will work for you forever, but you want to build strong connections with every valued member - that will last forever.

- Only 30% of US employees are actively engaged - Gallup’s “State of the American Workplace” report. 2010-2012 data.
- Highly engaged employees are 2.5 times more likely to stay at work late if something needs to be done after the normal workday ends, more than twice as likely to help someone at work even if they don’t ask for help, more than three times as likely to do something good for the company that is not expected of them, more than five times as likely to recommend that a friend or relative apply for a job at their company - Employee Engagement Benchmark Study by the Temkin Group

9. Improve Your Onboarding
Retention starts on day one. How a new employee is trained and oriented during the first few days on the job has a huge impact on the rest of their time at your company. Revisit your handbook, your training processes, your benefits education, and anything else a new employee might find as a valuable resource and improve them.
10. A “Thank You” Goes a Long Way
One of the best and easiest retention ideas is to lavishly use the phrase “thank you." If your employees do a great job, then tell them. Frequently saying thank you will do wonders for your retention rate. This supports one of the biggest retention strategies of making your employees feel rewarded, recognized, and appreciated. Anytime something involving dollars is attached to a “thank you,” it greatly elevates the impact.

- 56% of employees who don’t feel valued report being stressed during the day, compared to 25% of those who do feel valued - American Psychological Association’s 2014 Work and Well-Being Survey

11. Encourage Your Employees to Celebrate Each Other
Recognition from you, the boss, goes a long way. Realistically - you can’t do that every day. Creating programs that allow your employees to celebrate each other is a great way to show employees they’re appreciated more frequently. It will also create community among your workplace. This doesn’t have to be complicated... try something fun and goofy that still has meaning to it. Have some fun with this!

12. Break Silos
When an employee is actively engaged with their fellow employees it is much harder for them to consider leaving. In contrast, an employee who operates in a silo and feels detached from the team has a very weak connection keeping them tied to the company. Even one strong tie with a fellow employee can keep someone firmly attached to a company.

Get people interacting. Encourage collaboration. This creates a feeling of togetherness, cohesiveness, and being part of the team. No one likes to let down a team by leaving. Any program that keeps employees feeling more connected and informed about the company and each other will help in this battle of retaining employees. Regular use of tools like Skype, Google hangouts, or Gotomeeting video conferencing can help with employees who are not located close enough to collaborate face to face.

13. Encourage Friendships
Friendships inspire and motivate us. Employee friendships will foster loyalty and affinity with your company. Trust among your employees will provide a foundation of productivity like nothing else. Try to encourage work friendships by scheduling simple regular get-togethers outside of work hours that are optional. Allow your employees to connect outside of your walls and give them a chance to talk about something other than work. An employee with friends in the workplace will be much happier.

14. Give them a Compelling Reason to Stay
This could be the support and relationships they have, growth opportunities you offer, the mission they have bought into, the gratitude they receive and anything else that fits into the positive intangibles category. When you recognize ambition in your people and help them reach their potential, you’ll capture their hearts and souls. That creates a rope they’ll think twice about cutting.
Keep it Well Maintained

15. Earn Loyalty
One of the best ways to retain employees is by treating them in a way that earns you loyalty. Build their trust by earning it. Keep promises you make. Respect your employees as people. Show them loyalty and they will mirror it. Show them you’re committed to them. Loyalty is something that is earned over time after they are trusted, respected, and appreciated by you.

“If your actions inspire others to dream more, learn more, do more and become more, you are a leader.” - John Quincy Adams

16. Share Ownership
We aren’t just talking about sharing ownership of the company equity here—we mean empowerment. When your employees feel like they have ownership of an idea the buy-in is instantaneous, and the results are successful projects with employees happy to be fully behind them. This also allows employees to feel personally invested and that they have built something that is much harder to walk away from. Share ownership of ideas and projects.

17. Establish Mentoring Programs
Be a leader and mentor your employees can look up to. Also, help set up employees with other qualified mentors. Mentoring programs are proven to increase engagement as well as drive learning and development among both parties. Starting the program can be tough, but we found a great resource for you that spells out a step-by-step program that’s easy to understand and will get you on the right track. Check it out at: http://chronus.com/how-to-start-a-mentoring-program

18. Encourage and Assist Employee Health
Wellness is essential to productive and happy employees. Make being healthy easier for your employees. This is not just physical—we’re talking about mental health too. Encourage a change of pace when employees feel burnt out. A 20-minute brain break can do wonders for employee productivity, as will vacation days and making sure that employees disconnect from work while at lunch.

Some employers buy a box of bananas and apples to leave in the break room for the week. It’s a nice way of saying, “We know you work hard, we care about your well being, and we want to make things a little easier for you.”
19. Ask Your Employees Why They Work For You
This strategy does two great things for you; 1. It gives the employee a chance to remind themselves why they like working for you and reinforces this to themselves. 2. It also provides an open door to gain more insight about what attracts people to your business. You can use these insights to fortify these reasons with current employees and/or use them to recruit by saying “this is why employees like to work for us.”

20. Develop Catalysts in Management Positions
Be intentional about seeking out leaders in your company. Begin by focusing on your managers. They are catalysts that can have direct impact on the team under their direct management. Ensure that your managers are happy, trained, and educated about keeping their employees happy. Are they doing a good job of regularly checking in with their team and ensuring they have the feedback they need? Consider this saying: “People don't quit jobs, they quit managers.” This might not be the case all the time, but it is a great example of how important this tactic is.
- Employees who say they have more supportive supervisors are 1.3 times as likely to stay with the organization and are 67% more engaged (A 2013 survey of 12,115 workers worldwide by The Energy Project)

21. Provide Growth Opportunities
Your people demand opportunities to grow, especially your top performers. Support this by allowing opportunities for learning and other employee development plans like the mentoring program we mentioned above.
- 52% of millennials say opportunities for career progression is the most desirable quality in a workplace, competitive wages and financial incentives (44%), good training and development programs (35%) (PwC's Millennials at work: Reshaping the Workplace)

22. Keep the Ceiling High
Similarly, identify paths for employees to increase pay, gain recognition, or have increased responsibility. If an employee feels that they have hit the ceiling at a company, this is a major reason they will think about leaving. Keep the ceiling high. The Deloitte Talent 2020 report found that a majority of employees who were looking for greener grass rated their current employers’ “efforts at creating career paths, developing leaders, and retaining top performers” as fair or poor. 53 percent looking to leave said that they would reconsider their decision if their current employers improved their job advancement and promotion prospects.

23. Feedback
Provide and ask for regular feedback. This makes your employees feel much more confident and productive because they are less fearful of heading in the wrong direction or doing the wrong thing. Feedback provides the guidance you both need in a more positive way. Prevent disconnects—make sure everyone feels they can provide feedback to anyone else, regardless of title. This starts with creating an environment that is SAFE for employees to share the difficult things.

24. Make Moments Matter
Sometimes it really is all about the little things. Employers who make the effort of making someone feel special for a moment, like their birthday, can go a long way in making them feel important and appreciated. Think of special occasions that you can celebrate with your employees like work anniversaries, wedding anniversaries, and other events that could help employees know you care. Make any gesture that shows you care and acknowledges the moment matters. These actions go a long way in retaining employees.
25. Evaluate Your Benefits
This doesn't always mean increasing the benefits you offer. It may just mean you offer different benefits based on what employees really want. Find out what your employees really care about and look into a solution. You might discover simple things: for example, your employees really value having a 401k option through the company and it is a lot easier to set up than you thought. Don't make the mistake of only considering what your senior managers want and forget about developing the younger employees who are dangerously close to jumping ship already and vice-versa.

The Financial Fertilizers

Don't forget about these standard retention tactics...

Salary - The number on that paycheck influences how long someone will stay; there's no arguing that. Complete salary surveys on a yearly basis to see where your compensation stands and ensure you are staying competitive. Relying strictly on salary bumps to retain talent is not a great retention strategy.

Bonuses - Bonuses are a nice and flexible incentive to experiment with. They can be used at all levels of employment. Make them team based, company wide, or individual. Link them to specific financial or performance goals and use as a reward.

Stock Options - An interesting financial incentive to employers because they typically don't vest for a certain period of time, often five years. If the employee quits before the five years are up, they forfeit the stock options. Some companies do offer grants as well as options, which are immediately available to the employee.

401k Plans - Some of your employees might value the ability to build and create a nest egg or savings for retirement via a 401k plan. Employer contribution matching and other plan options aside, offering a 401K plan to your employees is often seen as another expensive headache and unwanted pile of details to deal with. This does not have to be the case. Look into solutions like the one offered by Employers Resource who allow you to utilize plan administration outsourcing. These multi-employer plans allow you to affordably and easily offer a 401k with simple enrollment for you and your employees.

Savings Clubs - Savings clubs are attractive savings programs that some employers choose to offer. These programs offer your employees simple and easy ways to save for events like Christmas or Vacations to help them plan ahead. Many of these programs offer an additional interest accrual to help them save money. Programs like these, as small as they may seem, can have a big impact on how the employee views your company.

Life Insurance - Life insurance policies are often overlooked by employers as too expensive or an unneeded hassle, but when employees are given a life insurance policy that is paid for by their employers it does add a layer of financial support that helps retain the employee. These policies do not have to be huge, nor labor intensive to administer.

Group Health Plans - Partially paying for, or completely covering your employees health insurance plan premiums is a strong financial incentive. As the cost of these premiums continue to rise, employers who offer assistance in this area are more and more attractive.

The Solution is not always a taller fence...
It's hard to beat a free lunch, free health insurance, paid vacation days, or flexible hours. But these really aren't the fix-all that many employers think they are. Important? Yes. Everything? No. An employee with the best benefits in the world who feels disconnected, confused about their goals, and never gets feedback will leave no matter how good the perks are.

The truth is, most employers offer these benefits. That's why it's so important you offer perks on a deeper level. Don't try and build a taller fence by relying on these tactics. Instead, try to remove the need to have one in the first place.
Different Generations, Different Shades of Green

Not all employees will be attracted to the same kind of lawn. A retention strategy that works for one business or even one employee might not work for another. It's important to recognize that you must fit the retention strategies you choose to your employees. Your business is unique and it's because your employees are unique. It's a great idea to test a few of these by taking an internal anonymous poll, or to try a small scale experiment and test reactions.

"Companies that adapt their talent and retention strategies to meet generational desires will be rewarded, while those that do not could find themselves at the losing end of the competition for talent.

Different generations appear to have very different goals, expectations, and desires—and employers must tailor and target their talent strategies to satisfy every employee group, from Baby Boomers to Generation Xers to Millennials."

- Deloitte Talent Edge 2020 Report

The next 3 pages are cheat sheets providing a quick overview of each generation and what they are looking for when it comes to employment.

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**Millennials**  
(1981-2000)

**Gen Xers**  
(1965-1980)

**Baby Boomers**  
(1946-1964)
Who are they?

- Millennials were nurtured by hovering parents
- They are optimistic, and focused
- Respectful of authority
- They schedule everything
- They feel enormous academic pressure
- They feel like a generation and have great expectations for themselves
- Prefer digital literacy as they grew up in a digital environment. They get all their information and a majority of their socialization from the Internet
- Prefer to work in teams
- With unlimited access to information they tend to be assertive with strong views
- Envision the world as a 24/7 place; want fast and immediate processing
- They are mega-multitaskers
- They work to live and seek purpose and value in their work even if it means taking less in pay
- Greatly values progressive culture and values

What do they want from employers?

**Mentors** - Millennials put a lot of pressure on themselves to succeed so they tend to carry high value on feedback. They seek professional connections and mentors to help them reach their expectations of themselves. Be a mentor by engaging in face-to-face meetings and provide the good and bad feedback, preferably as much as you can. Also, consider asking for feedback, these young workers have fresh and creative ideas that they are eager to share and build on.

**Flexibility** - You will notice this is a trend for all generations, but for different reasons and priorities. Millennials need to be able to juggle multiple commitments like other “projects” or jobs. A lot of people from this generation see the value in working freelance so being able to offer a remote work environment or shorter weeks can be very appealing to this generation. Not only is it important to be flexible in hours or workspace but consider your culture and values. This group finds it easier to jump on board with a company who holds strong values close to their own.

**Trust** - Many employers make the mistake of not respecting or trusting this group based off negative stereotypes or maybe a bad experience with another employee of this group. They forget that every new generation in the workforce is marked as the “bad seed,” said to be lazy and entitled. Support your new workforce by providing ways for them to showcase their talent and drive, contribute ideas, and maybe take the head on a new project.

**Opportunity** - No matter how entry-level the position, Millennials are always looking for the next step in their careers. This group tends to leave and start new jobs more frequently than other generations because momentum in promotions and increased responsibilities are so important to them.

43% of Millennials intend to switch jobs in 2015, according to Aon Hewitt’s Inside the Employee Mindset study which surveyed more than 2,500 U.S. employees working at companies with a least 1,000 people.
Who are they?

- Xers are Entrepreneurial
- More individualistic
- Government and big business don’t mean very much to them
- Happy to save the neighborhood instead of reaching for the world
- Work life balance is essential because they are very eager to “be there” for their children
- Right in the middle of the transition to digital knowledge archives from written based knowledge. Most remember being in school without computers
- Desire a chance to learn, explore and make a contribution
- Oriented by a sense of responsibility to self rather than a business or a career. This generation averages 7 career changes in their lifetime, unlike previous generations who often worked for a company for life

What do they want from employers?

**Flexibility** - Here we see it again but for different priorities. Most Gen-xers are new parents and often are single parents so they value a good balance of work and life more than ever. Luckily, like Millennials, this group is very tech-savvy so they can be very productive when working remotely.

**Independence** - Try to avoid micromanaging and allow space for your employees of this generation to work on solo projects. Majority of this group prefers to work independently. As with any generation, employers should do their best playing to these unique strengths.

**Communication** - Particularly important when it comes to dealing with gen-x employees as they are more likely to question authority and leave their employer if they do not feel heard. Just like any generation, it’s important to encourage debate, feedback, and the ability to openly express ideas and opinions. Always listen to your employee’s feedback and take action to prove that their expectations are important.

**Mentor-ship and Opportunities** - This group is sensitive to feeling a bump against a grey ceiling because their career paths are being blocked by baby boomers who are not moving out of the workforce. Xers especially need to see a clear path for advancement in front of them. To retain these employees you should offer mentoring programs with top-level executives, promote internally whenever possible, and aid them in refining their skills.
Baby Boomers (1946-1964)

Who are they?
- Personalities that strongly align with trends of individualism
- Have a strong desire to correct or change common values for the good of the world. Not as focused on local change
- Team players, optimistic and driven
- Want leadership that they can trust and value supportive leadership
- Envision technology and innovation as requiring a learning process
- Tend to be more positive about authority, hierarchal structure and tradition
- One of the largest generations in history with 77 million people
- The Aging of this generation will change America. They are the first generation to use the word "retirement" to mean being able to enjoy life after the children have left home

What do they want from employers?

Recognition - Due to their traditional values, Baby Boomers feel let down and frustrated from a lack of recognition for their hard work. They value support from their supervisors and managers. They seek employers who value solid work ethic and company loyalty and they expect to be recognized for fulfilling those expectations.

Benefits - This is key for boomers; offer things like wellness programs, competitive benefits and wages in order to keep these employees happy. Other items that should be on your list are great retirement plans and stock options. When that isn't enough you might consider holding seminars where baby boomers can voice their opinions and get information on your benefits offerings.

Schedule - You might want to offer this group more flexible work schedules possibly even part-time status. As they near retirement they won't want to work the hours a thirty-something would.
These ideas could go on and on. Just like soils vary, climates vary, and different types of grass need different care; employee retention needs to be addressed for your unique situation and business. It’s all about evaluating what your employees care about, what makes them happy, and then choosing the right retention strategies that match their wants and needs.

“Are your employees where they want to be?” A simple question with lots of layers of complexity that influence employees’ answers. Find out what influences your employees’ answers, then use these retention ideas or come up with your own based on their answers.

Are we suggesting you shoot for a retention rate of 100%? Is that even desirable? No. Your company will want employees to leave who are not a good fit for your organization. You want new people to be able to come in who have new ideas. A 100% retention rate over a long period of time is a sign that good change is not happening either. At times you will have to terminate people, but many times employees leave on their own when they discover the culture, opportunities, or compensation don’t align with their plans. This is good for both you and the employee! Also, consider internships or employee test drives as other options to find out if they are a good fit before committing.

After implementing a few of these ideas you’ll be proud of your lawn. Taking pride in your lawn means you and your employees won’t be looking over at your neighbors - you’ll be too busy inviting them over to check out yours!

You will find that “Thank You” is the water and culture is the sunshine your lawn needs. And when you empower your employees to care for and water their own lawn, the grass will always be greener on your side of the fence.
About Employers Resource

The mission of Employers Resource is to make the lives of employers easier. We’ve been protecting the American Dream since 1985 by providing comprehensive HR and compliance solutions.

We can help your business survive and thrive by protecting you from liability exposures related to compliance and safety, offering great benefits, and allowing you to work on your business instead of in your business, free from HR administration headaches.

When it comes to retention, partnering with a PEO like Employers resource means you will have more time to focus on the strategic retention strategies in this guide like building culture, and developing talent.

We allow you to start your day with less small stuff in your way while giving you access to benefits administration, hassle free Slavic 401k plans, employee assistance programs, savings clubs, life insurance, accident insurance, and more to help keep your benefits offerings competitive for retention and recruiting.

Your grass WILL be greener with Employers Resource as a partner for your business success. Call us today for a free consultation and custom quote for your business.

Employers Resource
1 (800) 574-4668
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