

Want to keep your top talent? Improve their engagement



Employee retention continues to rank at the very top of employer concerns. Even before the pandemic and the “Great Resignation,” job tenure was on the decline. As of June 2021, the [highest quit rates](#) (which indicate voluntary turnover) are occurring in accommodation and food services (5.7%), leisure and hospitality (5.3%) and retail trade (4.1%).

The good news for you as an HR professional, manager or business owner is that strong employee engagement can significantly improve retention. The challenge, however, lies in the fact that only [36%](#) of American workers report that they feel engaged by their job.

So, just what is employee engagement and how can you improve it in your company?

[Gallup](#) defines engaged employees as those who are involved in, enthusiastic about and committed to their work and workplace. To support engagement, many employers invest their time, energy and money in developing appealing compensation packages. The problem is that more money doesn't always make a difference in retaining your best employees.

Consider this: When employees are no longer invested in their current positions, it's difficult to change their minds. If an employee is offered a position with another company and their current employer provides a counteroffer to stay, more than half ([57%](#)) who accept the counteroffer will still change employment within 24 months.

That's not to say that granting pay raises isn't useful for employee engagement or retention, but it's only part of your answer. A more effective strategy can be to help your employees see the connection between their positions and the larger mission of your organization – enabling them to understand how their work contributes to the larger picture, thereby giving them a reason to show up every day that goes beyond their paycheck.

For example, you could simply hand a list of tasks to your receptionist or your hostess (opening the mail, checking in customers, answering the phone). But consider putting his or her position in context with your company's mission of, say, delivering a great customer experience. Your employee can then make the connection that what they do plays a critical role in accomplishing that overall mission. For example, your hostess and server are the face of your restaurant and the experience they offer to customers is key to building your business.

> Be sure to have the right managers in place

Managers play a critical role in their direct reports' engagement. In fact, [Gallup](#) estimates that managers account for 70% of the variance in team engagement, yet only one in 10 people have the talent to manage. This discrepancy makes effective management training critical to limiting employee turnover at your company.

The first step in ensuring your managers have the right stuff is to revisit how they're selected. Often, employees are promoted into management because they have fantastic skills as employees. However, training to be a good manager is often omitted from their management onboarding process, leaving them unable to lead effectively and setting them and their direct reports up for failure. At the very least, all managers should be trained to help their employees feel valued and appreciated, as [fair treatment](#) by a supervisor is the most important determination of retention

> Have a plan to develop your best and brightest

Here's a paradox: The best way to engage and retain your employees is to prepare them to leave. In other words, employees who want to build their skills, responsibilities and experience, ultimately, will make themselves more marketable to other employers. But by investing in their growth, they'll view your organization as a partner in their development, and appreciate that you're helping them achieve their goals.

Investing in an employee's growth doesn't have to break your budget. Rather, it can be as simple as scheduling a quarterly coaching session, assigning a book to read or a TED talk to watch, or allowing time to take online courses. Employees could even create and deliver training sessions to one another.

> Recognize your workers

Employee recognition also is vital to engagement and retention. As reported in [HR Technologist](#), 63% of employees who were always or usually recognized said they are very unlikely to job hunt in the next three to six months. By contrast, only 11% of those who were never or rarely recognized would agree; and, alarmingly, 82% of American professionals feel they aren't adequately recognized for their contributions to their workplace.

It's not difficult to recognize employees; even a high five, a laudatory email or a shout out during a meeting, which takes seconds and costs nothing, can make a difference in their feeling appreciated.

> Benefits versus perks

Benefits and perks aren't the same thing. Benefits are what companies offer as part of a compensation package such as health insurance, retirement plans and paid time off. Perks, on the other hand, are company-wide extras that demonstrate your business goes above and beyond to keep your employees happy.

Perks should be of value to your employees and, by extension, add value to your workplace. They don't have to cost a lot of money, but they do need to impact employees in a meaningful way, and they can also change over time. For instance, the pandemic has shifted the perks employees are interested in. On-site amenities such as free coffee and catered lunches don't carry nearly the meaning for employees today that paying for their education, paid family leave, home office stipends and flexible schedules now have.

>The time to start working on employee engagement is now

There are so many ways to get your employees more engaged in their jobs and your organization – too many to detail in just one blog post. Don't delay – your employees want to feel engaged, that their work has meaning and that they feel valued. If they don't find their needs fulfilled at your business, they'll look for greener pastures elsewhere. By following these simple strategies, you can keep your best talent happier, more productive and, importantly, longer!

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