

## FOCUSING ON WAYS TO RETAIN EMPLOYEES



A recent study conducted by a partnership between Booz Allen Hamilton and the Partnership for Public Service showed that human resources departments need to work hard to develop ways to retain employees. The study stressed that it is important to not just focus on recruiting and training workers, but also to give significant time and resources to development of retention strategies.

The study scrutinized retention dynamics, such as, what factors cause employees to stay with agencies, the retention techniques and tools human resource departments and line managers currently use and the tools which are most effective. The researchers behind the study gathered the data through focus group discussions and surveys as a means of understanding the retention challenges faced by line managers and HR professionals everyday in their operating environment. More than 20 representatives from various agencies participated in the study.

The authors of the study found out that retention is a key indicator of the health of any agency or company. "Retention of newly hired, top-notch employees means that recruiting and hiring investments are paying off and new skills and energy are flowing into the workplace. Retention of high quality, mid-level and senior-level employees means an agency is benefiting from the judgment and experience of seasoned professionals... But high turnover rates may suggest problems in the workplace that need to be addressed."

The study also noted that attrition can result in the loss of expertise, demoralization of the remaining workforce and a burden on line supervisors who have to reorganize. Financial loss is also another negative effect since loss and replacement of employees has a financial cost of anywhere from 50 – 200% of salary depending on the position in the company. "As part of this process, agencies need to be prepared to deal with emerging issues, such as pay and hiring freezes or the shift to the more portable Federal Employees' Retirement System (FERS) retirement program with provisions that allow certain employees, such as law enforcement personnel, to retire after twenty years." The study concluded that: "In general, employees want to be recognized for their work, use their talents, have an impact, feel empowered, receive support and have opportunities for growth. They want to have good relationships with their supervisors and colleagues, as well as a sense of teamwork and shared mission. They also want a family-friendly environment, and they want to receive fair compensation and recognition for their performance."