

How Employers Can Retain Top Talent

Labor & Employment Law Update

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Employers across all industries are concerned about employee retention in the continuing wake of the “Great Resignation” or the “Big Quit.” According to one of the largest global workforce surveys, 1 in 5 employees plan to quit in 2022.

Of course an obvious way to retain employees is to pay them more. But, when financial incentive alone does not cut it, there are other ways employers can boost morale, build loyalty, and retain their employees.

In light of the continued employee turn over trend, employers should consider implementing retention strategies such as:

- **Remote Work:** Generally, employers can permit remote work on any schedule that the employers deem appropriate (i.e. location, department or position), but if the employer only allows certain employees to work remotely, the difference in treatment must be easily explained by a business reason. Remote work comes in various methods such as hybrid, full and indefinite.
- **Retention/Perfect Attendance/Referral Bonuses:** Bonuses can be effective in the long term. Employers should be clear on any bonus guidelines to ensure compliance with federal and state laws, including wage and hour requirements. Make it clear that referral bonuses are strictly voluntary.
- **Flexible Schedules:** Flex time may include workers starting early to leave early, or leaving late so they can start late. It may involve employees wanting to compress their workweek into 4 longer days rather than a traditional 5-day schedule. With this, employers can ensure cohesion and communication among coworkers by requiring that all employees work core hours (i.e. 10 am -2 pm) regardless of how employees variably structure their schedule.
- **Office Culture and Personal Touches/Morale:** Create an office culture that employees resonate with and lean into that. This includes enhancing the employee workspace, office celebrations for employees’ personal life events, and provide early release when work permits. Overall, employers should seek to improve the employee experience. Happy employees are more likely to stay long term.
- **Health and Wellness:** Studies show healthier employees are more productive employees. This includes stress reduction programs such as yoga classes, gym memberships, walking meetings, massages on-site, and mental health allowances for therapy or coaching.

- **Prioritize DE&I:** Employees have an expectation of diversity, equity and inclusion in the workplace. Employers should promote DE&I practices to ensure a more inclusive workspace.

Takeaway:

To obtain employee retention, it's vital for employers to keep employees connected and invested in the long term. Communication with both employees and leadership is key for implementation of any retention strategy. When deciding the methods to utilize for retention, it is important to always consider associated tax implications and avoid any discrimination pitfalls. Employee perks should be made visible, supported by written guidelines and procedures, and closely monitored.

Employers should provide oversight and training to leaders who administer these various retention strategies to ensure consistent treatment throughout the organization.

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