



When Employees Head For the Exits

Employee retention was the number one challenge identified by human resource professionals in 2016. During that year, the Bureau of Labor Statistics reported that employees quit their jobs at an annual rate of 24 percent. That equates to 36 million quits during the calendar year.

According to a Gallup Survey from 2015, half of employees quit because of bad bosses. Other reasons included lack of work/life balance, too much/too little work, lack of advancement, toxic work environment, insufficient compensation, and changing goals.

The typical response to high employee turnover is to increase compensation and/or employee appreciation activities. This “pay to play” approach to employee retention is doomed to failure.



According to Dr. Fred Herzberg, Father of the Job Enrichment Movement, there are Hygiene Factors that keep people from becoming unhappy at work as well as Motivators that propel employees toward higher level performance. Both Hygiene Factors and Motivators are necessary for employee retention.

Factors that prevent people from becoming unhappy or dissatisfied at work include compensation, good supervision, acceptable working conditions, job security, and fair company policies. If these factors are not present in the workplace, employees are likely to head for the exits.

PSP Psychologist Dr. Frederick Herzberg’s research on work motivation documented the importance of getting employees involved in the job itself and not merely trying to buy their time. This approach is still important today and is enhanced by selecting employees who are skilled and interested in doing so.

To keep people satisfied at work and likely to stay, Dr. Herzberg identified six Motivators: meaningful work, responsibility, goal achievement, recognition for achievement, advancement opportunity, and training/development activities.

Managers have a tendency to assume that people are more financially motivated than they really are. Beyond ensuring that wages are competitive, increasing compensation will do little to keep people from quitting. If you want to reduce turnover, the first thing to do is to get rid of things that annoy employees about the company and the workplace. Make sure they are treated fairly, with dignity and respect. And make sure that the work you assign to them is meaningful and not “idiot” work. Doing so will go a long way to reduce dissatisfaction.

To build job satisfaction and company loyalty, look for ways in which you can help employees grow within their jobs, give them goals to achieve, and acknowledge achievement whenever possible. Give your employees responsibility that matches their skills and abilities and offer training for them to do more if they want advancement.

By paying attention to the factors for dissatisfaction and the motivators, a company can significantly retain their key employees and facilitate workplace productivity at the same time.

For more information on this subject, go to <http://www.psptesting.com/articles/FindingandMotivatingEngagedEmployees.pdf>.