

# What is Employee Relationship Management?



**Employee relationship management are tools and techniques small businesses use to keep their employees happy and engaged. Here's what you need to know to put together a system that works.**

## What It Is

It's interactions between employers and employees, including recruitment, training, delegation, exchange of feedback, collective decision making, shared brainstorming, and rewarding.

**Employee relationship management is about boosting your bottom line as a small business.** That means you also must find out what your workers want and need. Needs vary greatly depending on employee characteristics: age, gender, etc., as well as the type of job being performed

The best way to do that is go directly to the source. You can do this in one-on-one conversations that take place informally throughout the year and during formal employee evaluation meetings. Surveys and polls can provide good indications too.

## Why It's Important

On the surface, it might seem obvious why employee relationship management is important. Every small business wants content people working for them that are productive. Satisfied employees work harder but there's more to it. It's also important because the competition for top talent is fierce. The best in every industry are looking for 'collaborative, communication-oriented workplaces.'

There's a generational element too. A growing number of workers look for feedback and growth opportunities as important factors in where they work. Millennials who now make up 50% of the workforce are seeking open and on-going mentorship, feedback and guidance.

## The Best Employee Relationship Management Tools and Techniques

Small businesses need to be specific to build good teams.

Your organizations' principles and values need to be defined in real life with what ideal behavior looks like. Team members can't be expected to know what a company might mean by 'teamwork,' or 'integrity.' Teamwork can mean a lot of different things, so it's important that you define what positive teamwork looks like for your organization.

## Rewards

You also might need to revamp your rewards techniques. Ask your team members what motivates them. Are they motivated by bonus opportunities, time off to volunteer, funding toward a business conference? Not all team members are motivated by money, so ask them what they desire as a reward for achieving goals.

## HR Software

There's a more practical element too. You need an HR element to your employee relationship management mix. There's lots of good software around. Look for features like applicant tracking and onboarding and performance widgets.

## Employee Relationship Management and Conflict

This is can be a very distressing part of employee relationship management. The most important aspect to keep in mind when there's a conflict with an employee is to remain professional. Never make it personal or threaten to fire the employee in the heat of the moment. Get your staff together later to go over the facts and make a calm decision. This always works out the best for everyone in the long run, and employees are much more apt to understand and accept decisions made in a composed and professional atmosphere.

Blackhawk Bank has complimentary HR consulting available to our business clients; please ask your Business Banker for more information!

*Sourced from: Rob Starr, [smallbiztrends.com](http://smallbiztrends.com) and Blackhawk Bank*