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# Why good employees leave and how to retain them

John Hackett provides some tips on retaining good staffers.

**G**ood employees leave their jobs for many reasons (work/life balance, family relocation, other personal or medical issues, etc.) but very often, they leave because their employer hasn't met their needs. In other words, their employer has failed to retain them. Unhappy employees will say they feel undervalued, underwhelmed, underpaid and/or overworked and this will often lead to feelings of discontent which in turn can result in their resignation.

According to a report by PBP Executive Reports in 2011 called *Why Good People Jump Ship – and What You Can Do to Keep Them*, the loss of good employees can cost businesses about 20 per cent of that employee's salary to replace them. These costs will include the recruitment and hiring of a new staff member, the time and money to train them and the costs associated with the time it takes for that new recruit to reach 100 per cent productivity.

Beyond these monetary costs they also outlined other associated "costs" that can result from losing a good employee. These include the investment you've already made in their specialised training as well as the loss of their on-the-job experience. There is also the potential loss of established and positive client relationships that a departing employee may have had in place or the possibility other staff might leave because of the disruption or increased workload for others caused when a valued team member moves on. At the very least there could be a negative impact on employee or team morale. And then there is the likely future contribution that you will miss from the loss of a talented employee.

So what needs to be done to retain good employees? Well, simply put, you need to try and meet their needs and the only way you're going to do that is if you know what those needs are. So, as an employer, you have to ask but you also have to LISTEN to what your employees are seeking in their role and within the business now as well as their future career aspirations with your company.

I have discussed performance appraisals before and the formalised performance review process is not only a good time to talk about your employee's performance but also to discuss the future. And that is not only about communicating what you, the employer, has in mind for the overall businesses and that particular employee but also what your employees want to achieve over the next six to 12 months and longer term.

You also have to be aware that employee needs will change over time so it is also important to stay in touch with what they're thinking. A good way to do this is through weekly "one on one" staff meetings but also by engendering an "open door" management style and being accessible and amenable to all employees. That way they will know if they have a particular issue they would like to raise then they can do so immediately. In some cases these issues will relate to changing employee needs and this way you will be able to attend to these before they become problems too great to address or solve.

Following on from this, employers themselves do need to also ensure that they assist management with the tools and time that will allow them to successfully engage and connect with their staff, because in a lot of cases it is line management that have the task of ensuring their direct reports particular needs are met.

In conclusion, it is also worth pointing out that there will still be occasions when the needs of an employee cannot be accommodated on an ongoing basis or a compromise can't be reached that is to both the employer and employee's satisfaction. As a result, some employees will move on. However, by employing the strategies outlined above there will hopefully be less of these costly and disruptive incidents occurring in your business. **m**

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