

Retaining Your Top Performers

Employee retention—a priority many put on hold during the recession—is reemerging as a key concern for businesses. As the economy shows signs of improvement, dissatisfied staff members may begin exploring other job opportunities, making it increasingly important to take steps to encourage top performers to stay over the long term.

While you may be challenged by budget limitations, keep in mind that it's far more expensive to replace valued employees than it is to retain them. When you factor in lost productivity, company knowledge, and recruitment costs, the expense of finding, hiring, and training a new staff member can easily add up to thousands—even tens of thousands—of dollars.

In many cases, you don't need to spend much money to boost morale and give employees a compelling reason to stay. Here are some basic ideas that can help you maximize retention efforts.

Show a personal interest

Forty-three percent of executives polled in a recent survey by our firm said an individual's relationship with his or her manager has the greatest

impact on job satisfaction. Consider how well you know those on your accounting team. Are they satisfied with their workload and responsibilities?

What types of projects do they enjoy most? What are their career goals? If you are unsure, take the time to find out. Prestigious assignments or job titles are a primary objective for some people, while others may prefer more routine. By understanding individual objectives and priorities, you can direct projects to the right people and make better personnel decisions.

Be supportive

In recent years, many employees have been asked to cover multiple job functions as organizations streamlined their teams. While multitasking has allowed companies to remain productive, it also puts staff members at greater risk for burnout. Encourage employees to let you know



when they are overwhelmed or encounter roadblocks; then, when possible, follow through with the requested support. Managers who back up their staff during challenging times build loyalty.

You may even want to redesign positions to fit the needs of your top employees. For instance, a key senior accountant on your team may thrive on work helping your firm's international subsidiaries with accounting issues—an aspect of her job that's requiring more of her time. Given the interest in the assignments and your organization's current requirements, you might make this her primary responsibility and shift the budgeting, forecasting, and reporting components of the position to an existing staff member or a new hire.

Avoid mixed messages

Your approach to employee communication is also important. Try to keep all messages clear and consistent. For instance, if you tell the accounting staff to take risks with their work but then criticize them when an idea doesn't go as well as planned, you will quickly deplete morale. In addition, be predictable in how you respond to situations that arise. A typo in a financial report shouldn't be excusable one day but the source of reprimand the next. Employees need to understand your expectations and know those will be the standards every day of the week.



Encourage professional growth

As a manager, you should take steps to support your employees' career goals. Let them know of any internal resources that might further their objectives, such as a mentoring program. In addition, provide access to formal training. You will show that you care about their aspirations while also enhancing their value to the team.

To keep your costs down, review options carefully, and be selective. For instance, if many employees need to build their knowledge of Securities & Exchange Commission regulations to support your firm's upcoming initial public offering, the most cost-effective solution may be in-house training. If only one or two staff members require education in a particular area, it may be best to send them to an outside seminar.

Provide competitive pay

Finally, don't underestimate the

importance of compensation in retaining staff. While this isn't always the leading factor when employees move on, it often plays a role in the decision. If you underpay your staff, you risk sending the message that they aren't valuable to your company's success. Reassess your salary levels on a regular basis to make sure they are competitive.

A variety of resources are available to keep you up-to-date on compensation trends in accounting. Government data, salary surveys, and trade association reports are just a few tools that can help you evaluate and adjust salaries in your department.

Labor market conditions may change over time, but the need to make employees feel valued and appreciated will remain constant. Customize your approach to suit the specific needs of those on your team, and strive to be a supportive and consistent manager. The actions you take now to retain staff can reduce turnover in the coming months and years. ■

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