

*Max Messmer, Editor*

# Four Keys to Improved Staff Retention

In a job market where there are often more open positions for experienced financial professionals than there are people to fill them, retaining staff is a priority for accounting and finance managers. Retention in this current environment depends largely on four key

drivers of job satisfaction: compensation and benefits, work environment, career development and advancement, and work/life balance. With competition for top performers expected to remain intense, consider how well your company or department measures up in these critical areas.

## Attractive compensation and benefits

Offering a fair and competitive salary is the most obvious way to attract and keep top talent, even though money isn't always the key factor determining an employee's job satisfaction. Still, if your company's raises have been minimal in recent years, they may no longer be competitive. Salaries for financial professionals are rising steadily in response to demand. Solicit input on your compensation levels and benefit of-

ferings for accounting and finance positions from industry colleagues and associations, recruiting firm contacts, and resources such as annual salary guides.

Employers should also evaluate whether the benefits they offer are as attractive as those competitors provide. A 2005 survey conducted by the research firm Zogby International revealed that 58% of employees polled would prefer a job with excellent benefits over one with a higher salary. Demographic changes in the workplace, including delayed retirements, dual-income couples, domestic partners, and single-parent households, are making one-size-fits-all benefits packages insufficient. These and other changes have altered the profile of a "typical" employee—and his or her expectations of a company benefits program. Many companies now offer

flexible, or cafeteria, benefits, which give employees a menu of choices.

## A supportive work environment

All employees desire a positive, supportive workplace. In fact, job applicants put this attribute near the top of their lists when evaluating companies. Managers need to make employees feel valued and engaged and extend support when staff members face work and personal challenges. Professionals who enjoy interacting with supervisors and peers not only make the office more enjoyable, but they also produce better work—and show the greatest loyalty.

Talented people want to be heard and recognized for their contributions, but you'll need to go beyond simply telling staff members that you appreciate their input. Successful companies encourage employees at all levels to develop and experiment with new ideas. Actively seek your staff's involvement in solving problems facing your department or company. For example, if your finance team is trying to find ways to balance ongoing Sarbanes-Oxley compliance needs with other projects, give employees an opportunity to share strategies or staffing models

that they feel would lead to better results. And be prepared for occasional mistakes along the way. Your staff will learn and grow as much from unsuccessful experiences as successful ones. Unless you are willing to take smart risks, your employees may stop sharing their thoughts and innovations altogether.

Accounting and finance professionals also need to be provided with the technology tools required to do their jobs. Not only do these tools improve efficiency, but the technological sophistication of the work environment is an important retention factor for many professionals.

#### **Opportunities for career development and advancement**

For many workers, an opportunity for continuous learning weighs heavily

in their decision to accept or remain in a position. As a result, employers are increasingly emphasizing career development activities and boosting training allowances and reimbursement amounts for continuing professional education (CPE). Some businesses go as far as tying pay raises and bonuses to achieving learning milestones, such as completion of certain coursework or receiving a new certification, to show they value employees' efforts to enhance their skills.

Effective managers complement training and development opportunities by being attentive to the professional needs, concerns, and career aspirations of individual employees. For instance, a financial analyst on your staff may be eager to move into a controller role but requires coaching on how to make the transition.

Or a cost accountant for one business unit may want your support finding a similar position in another division. In some cases, you may need to help staff members identify alternative career paths or new challenges that are consistent with their professional goals.

#### **Flexibility to balance work and personal demands**

Having some degree of control over when and where they work is also a concern for employees. Many struggle to find a healthy balance between personal and professional responsibilities. In fact, a survey by our company found that flexible scheduling is the benefit valued most by employees. If you offer these arrangements, make sure your policies in this area match the nature and demands of your business and of your staff, not solely individual needs.

Retaining your top performers isn't an easy task, especially in today's competitive hiring environment. But by paying close attention to these four key areas of job satisfaction, you can reduce the odds of losing your most valuable team members to a more retention-focused employer. ■

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