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Employee Retention: Mentoring Your Most Valuable Assets

It's a problem every company must face, from small businesses to Fortune 500 multi-nationals. The cost of employee retention is skyrocketing. According to the latest estimates, U.S. businesses spend more than \$200 billion every year recruiting and replacing employees. In today's hyper-competitive labor market, marked by substantial fluidity and increased outsourcing, finding and holding on to your best employees has become a substantial challenge. And the stakes are high: regardless of your product or service, top-notch employees can be your most valuable asset. Costly turn-over can affect your bottom line, inhibit growth and deplete morale.

It's no longer just about the money. Of course, employees want to be well compensated for the value they bring to your business. But a good salary and generous benefits are only part of the story. Instilling passion and encouraging deep loyalty are equally important. But that's easier said than done. We all go to work, put in our time and strive to be efficient and productive. Inevitably, though, inertia creeps in and prevents even good employees from performing at the highest levels. The repetition of daily tasks, the pressure of performance and even office politics all serve to dampen that essential spark.

Dr. Lillian Eby, an associate professor of psychology at University of Georgia, says mentoring can be a powerful tool in employee retention. She adds, "A key benefit of mentoring is retention. Turnover costs can be staggering. That's one reason why organizations include mentoring programs as part of their business objectives."

It is important to define 'mentoring' in a broad, inclusive way. In a very narrow sense, mentoring can be a modern-day form of apprenticeship wherein a more senior employee takes a junior employee 'under her wing.' Much can be learned in this arrangement. The less experienced employee can come to a more profound sense of how things work and embrace processes and methods that can cut to the essence of what your company does. The manager can gain insight and inspiration from a fresh set of perceptions.

But if you dig deeper, mentoring can be a constant stream of active communication, reward and well-defined goal setting where every member of your team understands what is expected and how to achieve company goals. No one is left in the dark. By building systems that engage every employee at both a professional and personal level, you can keep the best and avoid the crippling effects of employee turn-over.

Communication, as in most things in life, is a fundamental element in the mentoring process.

- **Keep your employees informed.** Sharing information, as much as strategy permits, can help employees feel a vested interest in the success of the company. There are certainly things that cannot be public knowledge. But this applies only to a small percentage of your day to day activities. Engage your employees in a dialogue that makes them true 'shareholders' in the success of the company.
- Whenever you can, **include your employees in the decisions you make.** They may understand an issue better than the boss. Use their ideas and share credit generously. It never hurts to gather input. Again, this gets employees thinking like owners – what is the best course of action, what is an effective, profitable strategy, etc.
- **Acknowledge success.** This is a fundamental part of communication. It's easy to forget who did what to make a deal happen. Take time to celebrate when an employee performs particularly well. This encourages others to work toward a higher standard and sets the tone.

- **Resolve conflicts quickly.** Inevitably, tensions flare from time to time. Train employees in problem-solving and conflict resolution skills. These are vital skills that will help them communicate and work more efficiently. Simmering disputes can inhibit productivity and result in deeply dissatisfied employees. These are the employees you lose most quickly. Solid conflict-resolution processes emanate from the top down. Invest your HR managers with the power and ability to take on these challenges quickly and authoritatively.

Goal-setting is a primary component in the mentor retention rubric. It's also a natural extension to effective communication.

- **Be clear about expectations.** Communicate company values and vision. Provide an uncluttered definition of success. And keep employees informed about how they measure up to expectations. Be precise, define goals clearly and engage employees in consistent dialogue of how they can grow and maximize their positions within the company.
- **Give employees everything they need to do their jobs.** Just as the marketplace can change, so can your employees' needs. Ask them directly, what do you need to better do your job? Once they have told you, make sure you make it happen, as long as it fits your overall strategy.
- **Encourage employees to learn new skills and take on new challenges.** No one likes to sit still for too long. Growth and cross-training are vital elements of employee loyalty.

There are other, non-process oriented tools in effective mentoring. Set aside free time and independent work space. The pressure of working hard can weigh on all of us. Make 'space' for employees who consistently deliver excellent work. Downtime can mean greater creativity. Consistency is also vitally important. Plan your initiatives and use them sparingly. An ongoing commitment to employee engagement and input will send a strong message that you are concerned about them. And finally, know your employees. Take time to spend time with your employees. The personal touch can work wonders. Everyone needs to feel their work is an important and critical part of your company's overall success.

Your committed investment to a comprehensive, expansive mentoring program will pay dividends. Make the decision today. Work hard to make your employees happier. They will make it their business to make growth and prosperity a company imperative. Ultimately, properly mentored employees are less likely to leave. And that can be the most effective and readily available way to cut costs and retain your most valuable assets.

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